

HOUSE OF REPRESENTATIVES—Thursday, September 21, 1972

The House met at 12 o'clock noon.

William F. McLean, pastor, Calvary Baptist Church, Alexandria, Va., offered the following prayer:

God of our Lord Jesus Christ, we thank Thee for blessing and prospering our land, for the men who have guided our Nation to its greatness, and for those who have died in battle to make us free.

Give our leaders wisdom to solve our problems, strength to bear the burdens, and courage to do right. Watch over our soldiers in Vietnam. Comfort the prisoners of war, and grant they may soon be free and the war over.

We look forward to the coming of our Lord and His kingdom when men "shall beat their swords into plowshares and their spears into pruninghooks; neither shall they learn war any more."

In the name of our Lord who died that we might live. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries, who also informed the House that on September 19, 1972, the President approved and signed bills of the House of the following titles:

On September 19, 1972:

H.R. 1860. An act for the relief of David Capps, formerly a corporal in the U.S. Marine Corps;

H.R. 5299. An act for the relief of Maj. Henry C. Mitchell, retired.

H.R. 5315. An act for the relief of Gary R. Uttech;

H.R. 10635. An act for the relief of William E. Baker; and

H.R. 12350. An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H.R. 6575. An act to amend the act entitled "An act to provide for the disposition of judgment funds now on deposit to the credit of the Cheyenne-Arapaho Tribes of Oklahoma," approved October 31, 1967 (81 Stat. 337);

H.R. 7614. An act to amend titles 5, 10, and 32, United States Code, to authorize the waiver of claims of the United States arising out of certain erroneous payments, and for other purposes;

H.R. 7616. An act to amend section 715 of title 32, United States Code, to authorize the application of local law in determining the effect of contributory negligence on claims involving members of the National Guard;

H.R. 8215. An act to provide relief for certain prewar Japanese bank claimants;

H.R. 14173. An act for the relief of Walter Eduard Koenig;

H.R. 15865. An act for the relief of Richard L. Krzyzanowski;

H.J. Res. 135. Joint resolution to authorize the President to issue a proclamation designating the week in November of 1972 which includes Thanksgiving Day as "National Family Week";

H.J. Res. 1193. Joint resolution to provide for the designation of the week which begins on September 24, 1972, as "National Microfilm Week"; and

H.J. Res. 1232. Joint resolution designating, and authorizing the President to proclaim, February 11, 1973, as "National Inventors' Day."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 15376. An act to amend the Service Contract Act of 1965 to revise the method of computing wage rates under such act, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 180. An act for the relief of Kuay Ten Chang (Kuay Hong Chang);

S. 632. An act to establish a national land use policy; to authorize the Secretary of the Interior to make grants to assist the States to develop and implement State land use programs; to coordinate Federal programs and policies which have a land use impact; to coordinate planning and management of Federal lands and planning and management of adjacent non-Federal lands; and to establish an Office of Land Use Policy Administration in the Department of the Interior, and for other purposes;

S. 2518. An act for the relief of Anna Kolblarz-Sala;

S. 2818. An act to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol (DES) to any animal intended for use as food, and for other purposes;

S. 2901. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Colorado River in the State of Utah for study as a potential component of the national wild and scenic rivers system;

S. 3939. An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

S. 3943. An act to amend the Public Buildings Act of 1959, as amended, to provide for the construction of a civic center in the District of Columbia, and for other purposes.

CHANGE IN LEGISLATIVE PROGRAM

(Mr. BOGGS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BOGGS. Mr. Speaker, I take this

time to announce to the Members of the House that the originally programed vote on sending the Fair Labor Standards Act amendments to conference for today has been indefinitely postponed.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON MILITARY CONSTRUCTION APPROPRIATIONS, 1973

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for military construction, Department of Defense, for the fiscal year ending June 30, 1973, and for other purposes.

Mr. TALCOTT reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

OPINION OF THE MAJORITY SHOULD BE REPRESENTED BY CONFEREES ON MINIMUM WAGE BILL

(Mr. HALEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HALEY. Mr. Speaker, I am strongly of the opinion that the House of Representatives, in defense of its own status as a coequal body in the Congress, should not agree to send this bill to conference—unless there could be first established some firm guarantee that the House managers for the bill be committed to support the position of the House in this controversy.

I cannot say that it would be possible to bind our managers to support of the House position forever. But I do think that the House majority which passed our version of the minimum wage bill could reasonably expect that our managers be selected from those who supported the bill in the form in which it was passed by the House.

And, going beyond that, I would not think it unreasonable at all for the House to insist at least that none of its managers be Members who have announced in advance that they would refuse to support the House position, as several prospective managers have announced on this floor. And I would certainly think that, whoever the managers may be, the House ought to instruct them, to the firmest degree possible, to support the House position regardless of their personal feelings. It seems to be that the phrase, "managers for the House," means that its conferees represent the House and do not represent their own personal views.

Too often, Mr. Speaker, conferees named by the House have simply

knuckled under to the other body on controversial issues, sometimes shrugging off, as if they did not exist, instructions from this body to stand up for our position. It has happened, in fact, so often that the House is becoming recognized as the subservient rubber stamp for the other body, rather than as a coequal part of the Congress.

We should not continue to allow this to happen. I must vote against sending the minimum wage bill to conference unless we can be assured in advance that our managers will stand up and fight for our position.

NEW WILDERNESS AREAS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. No. 92-356)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Interior and Insular Affairs and ordered to be printed:

To the Congress of the United States:

Everywhere in America, we seek the horizons where escape is free and where despair can never catch up. We sense that our wilderness, more than a concept, is an experience, where we may find something of ourselves and of our world that we might never have known to exist.

Wide-winged birds soaring over remote treetops can set our dreams in new directions. Serrated cliffs can tell us about our geological past. Mountain flowers beside woodland trails can teach us vital lessons about our ecological relationships. Sea winds blowing across lonely beaches can refresh us for new accomplishments.

It is a prime objective of government to balance the use of land sensibly to ensure that the world of nature is preserved along with the world of man.

"A wilderness . . ." according to the epochal Wilderness Act of 1964, "is hereby recognized as an area where the earth and its community of life are untrammelled by man, where man himself is a visitor who does not remain." Within the National Wilderness Preservation System established by this act, the first 9.1 million acres of our country were set aside, to be conserved, unimpaired, in their natural state.

Today, I am proposing to the Congress 16 new wilderness areas which, if approved, would add 3.5 million acres to our wilderness system. This is the largest single incremental increase in the system since passage of the act.

Five would be located in our National Wildlife Refuge Areas. They are the Brigantine National Wildlife Refuge in New Jersey, the Backboard Island National Wildlife Refuge in Georgia, the Chassahowitzka National Wildlife Refuge in Florida, and the Lostwood National Wildlife Refuge and the Chase Lake National Wildlife Refuge in North Dakota. A sixth area, administered by the National Park Service, would be within the Cumberland Gap National Historical Park on the borders of Tennessee, Virginia, and Kentucky. These six additions would add 40,257 acres to the Wilderness Preservation System.

In the Western States, in units administered by the National Park Service, my proposals today would designate as wilderness 2,016,181 acres in Yellowstone National Park, 512,870 in the Grand Canyon complex, 646,700 acres in Yosemite National Park, and 115,807 acres in Grand Teton National Park.

I further propose for inclusion in our National Wilderness Preservation System an additional 216,519 acres in some of the most beautiful regions of our country. These would include designated areas in the Great Sand Dunes National Monument in Colorado, the Theodore Roosevelt National Memorial Park in North Dakota, the Badlands National Monument in South Dakota, the Guadalupe Mountains National Park in Texas, the Carlsbad Caverns National Park in New Mexico and the Haleakala National Park in Hawaii.

The 1964 Wilderness Act further directed the Secretaries of Agriculture and of the Interior to review federally owned lands which they administer and to report to the President, who transmits to the Congress their and his recommendations for those areas which qualify as wilderness as defined by the act. This wilderness review process, to be conducted in three phases, was to be completed by 1974.

Beginning in 1969, I accelerated this program, and on April 28, 1971, I forwarded to the Congress 14 new wilderness proposals which, when enacted, would substantially increase the acreage added since passage of the Wilderness Act. I warned that we would need a redoubled effort by the Departments of Agriculture and the Interior in completing the review process and prompt action on these proposals by the Congress.

On February 8, 1972, I transmitted a second package of 18 new wilderness proposals to the Congress, which, if enacted, would designate 1.3 million additional acres as wilderness. At that time I reported that the September, 1974 statutory deadline for reviews could and would be met. I also pointed out that the majority of the wilderness areas recommended to date had involved western lands. Therefore, I directed the Secretaries of Agriculture and Interior to accelerate the identification of areas in the Eastern United States having wilderness potential.

The Congress has now received 78 wilderness proposals which would add 5.8 million acres to the original 9.1 million acres designated by the Congress.

To date, however, the Congress has acted on only 35 proposals, approving 1.7 million acres for inclusion in the system. This leaves pending 43 wilderness proposals encompassing 4.1 million acres.

I now urge the Congress—in this centennial year of our National Park System—to act quickly in favor of these new proposals as well as the ones already pending.

I am aware of the commercial opportunities in potential wilderness areas such as mining, lumbering, and recreational development. I believe we must achieve a sensible land use balance—America can have economic growth and the unspoiled nature of the wilderness.

Increasingly, in fact, the preservation of these areas has become a major goal of all Americans. The process of developing wilderness proposals is now exemplifying public participation and cooperation with the governmental process. Commercial and conservation groups—and individuals from all over the country—have, through public hearings and direct contact with government agencies, done much more than is generally realized to contribute to the wilderness program.

I believe the value of this cooperative effort between the public and their government officials is reflected in the wilderness proposals I am proud to submit today. This is an excellent example of the responsive way in which our government is meant to work.

The first man on earth, according to the scriptures was placed in a natural garden, and he was charged "to dress it and keep it." Our own great naturalist John Muir said that our "whole continent was a garden and . . . seemed to be favored above all the other wild parks and gardens of the globe."

The addition of these new areas to our national wilderness system will help to keep it that way.

RICHARD NIXON.

THE WHITE HOUSE, September 21, 1972.

ONE ASPECT OF REVENUE SHARING

(Mr. HANNA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANNA. Mr. Speaker, the Members might be interested in one aspect of revenue sharing which has recently come to my attention. It is rather dramatic that the birthplace of President Nixon, Yorba Linda, Calif., Orange County, is going to be one of the cities that will not be helped by revenue sharing. The reason is a rather technical one, and I think the Members ought to be aware of this problem because I suggest it is going to give them more than a little trouble.

Any city which has become incorporated after the 1970 census is not now included in the list of the cities that are going to get assistance under revenue sharing. As a matter of fact, I checked with the Treasury and they told me they would only be added when they have been processed by the Census Bureau. The Census Bureau told me they are 18 months to 2 years behind in processing newly incorporated cities.

To give you an idea of the size of this problem, there have been 320 cities actually that have been incorporated since the 1970 census. In addition to that, any city that has had any annexation will probably get less than they think they are entitled to, because annexations which have occurred after this date will not be included in the entitlement of any of these cities, which suggests to me that the counties will get more money than they are entitled to.

When the cities come in for approval of their claim and the date of their incorporation, they will ask for the money back from the counties. The counties will already have spent it, and then they

will lose that amount, and the Members are going to hear a lot of noise about it.

FAIR LABOR STANDARDS ACT AMENDMENTS

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I understand that our distinguished majority leader has already made the announcement that the motion will not be made today to send the minimum wage to conference, which is true. There has been some misunderstanding on the floor about which body would act first. There is certainly no objection on the part of the leadership of the House if the Senate acts first, but the Senate never did request this conference. It did not make the request, so after the papers came over here, it was necessary that I make the request which I did.

There is no earthly way, according to the Parliamentarian's ruling, for us to take those papers over to the Senate so they can request a conference. So the motion must come from the House Chamber to go to conference and that motion will be made sometime next week.

I want to make it clear that there is nothing in the rumor that we are going over there to take the Senate bill. The purpose of the conference, however, is to compromise, and this bill will have to be compromised. The differences, and I know there are many, will be compromised when we do go to conference.

Mr. WAGGONER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Louisiana.

Mr. WAGGONER. Mr. Speaker, I thank the gentleman for yielding.

I want to say at the outset some compromise must be made. I realize full well that compromises have to be made if we are going to get a bill, further I want to say I am not one of those and I do not know anybody who is trying to prevent passage of a bill. I think it is to the advantage of everybody concerned, Democrats, the Republican Party, the administration, and America as a whole, to work out something that is equitable. I think we can work out a compromise if we will just sit down and put our heads together.

But I do ask the gentleman, having said now that we will consider this legislation next week, if he would be willing, as he has been and surely he will, to just give us as much as 48 hours notice before he is going to ask for action on the floor to go to conference.

Mr. PERKINS. Yes, I will be delighted to do that.

Mr. WAGGONER. I thank the gentleman from Kentucky.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the minority leader.

Mr. GERALD R. FORD. Mr. Speaker, unfortunately I was on the telephone when the gentleman took the floor so I am not wholly familiar with the comments he made at the outset. As I un-

derstand it the gentleman indicated the legislation would be brought to the floor some day next week and a motion would be made to send the fair labor standards bill to conference. Is that correct?

Mr. PERKINS. Yes.

Mr. GERALD R. FORD. As I understand the colloquy I just heard, the gentleman said he would give Members on both sides of the aisle 48 hours notice.

Mr. PERKINS. Yes, sir.

Mr. GERALD R. FORD. Let me add I agree with what the gentleman from Louisiana has said. We want a minimum wage bill. We want it to become law. I think we can achieve that. A great deal of effort has been put forth on the part of gentlemen from that side of the aisle and gentlemen from this side of the aisle who have been trying to find a key so we can have a new minimum wage law. I think if we work at it a little harder we can get a compromise that is good legislation. I urge the gentleman from Kentucky and others in the interim to work for that kind of compromise which would be in the best interest of the United States.

Mr. PERKINS. I thank the distinguished minority leader, but I wanted to make it clear that there was no way for the House to act first inasmuch as the Senate did not request a conference, according to the ruling of the Parliamentarian today.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, it was my understanding when the rules were changed I believe in 1965 by adding a motion to go to conference, we did not thereby dispense with the other two means that were available for taking a bill to conference. The chairman can make a unanimous-consent request or go to the Rules Committee for a resolution to send a bill to conference. As I understand the debate that took place at the time of the rules change in 1965 the gentleman's statement would not be correct, that is, the statement which he made earlier, that there is no other way for this bill to get to a conference other than by a vote by the House on a motion to send it to conference.

Mr. PERKINS. I will say to my distinguished colleague, and I know his eagerness to obtain a bill, I know the gentleman understands the trouble we could encounter at this later hour on any piece of legislation going to the Rules Committee if we ask for a rule.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield further?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I merely should say in response to that letter from the chairman of the Rules Committee this week an exception was made for procedural matters. It seems to me this would fall within the exception stated in the latter from Mr. COLMER, chairman of the Rules Committee, with respect to the Monday midnight deadline on rules and reports.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished chairman of the subcommittee, the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker, I want the House to know that there has been a very serious effort made by Members of both the Republican and Democratic Parties to arrive at a reasonable position that all of us would be able to vote for on an increase in minimum wages.

I do not think anybody really believes that there should not be a bill of this kind. Most of the men I have talked to are willing to vote for a bill, but they would like to have it amended by the conference committee rather than have an understanding reached before we go to conference.

The door has not been closed. I believe there is some misunderstanding on the floor that we have closed the door on any compromise, and that we are not continuing our discussions. We are continuing our discussions. I talked as late as last evening with the ranking members of the committee on the other side of the question of when we could get together.

The purpose today is to emphasize that we will have a vote at some point. We are positive that when we come to that vote, you will have an understanding of how the House will attempt to handle itself in the conference.

Mr. PERKINS. Mr. Speaker, I yield to the distinguished gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, the gentleman from Pennsylvania is absolutely correct. We have been talking about trying to reach an understanding before we go to conference, and the door is not closed; we have continued to talk. We just have not gotten any agreement by today, as I look at the situation, we find ourselves in the place where, as was indicated the other day when the House voted down the motion to go to conference, that a majority of the conferees would not have voted for the substitute as passed the House. We all recognize the problem involved here.

Many people ask the question, "Why are you compromising before you go to conference?" Under the circumstances, I think it is necessary. The gentleman from Pennsylvania indicated his willingness to still attempt to reach an understanding. The people who will be conferees should have some understanding with each other so we know that the position of the House is protected.

It is not easily worked out, this complicated situation, between divided groups interested in the legislation, but I want to say as the ranking minority member on the committee in joining the distinguished minority leader, that we intend to get a minimum wage bill this year, one in which the interests of the House are protected, because it is a vastly different bill from the Senate bill. The House amended the committee bill and took that action as the majority strongly felt. I, for one, believe that there are honorable men on both sides who can work this out. I hope we can, and I believe that the assurance of 48 hours before it will be called up again is necessary and I appreciate it.

One other matter: The House will not have the opportunity for a motion to recommit back to conference, as the chairman has indicated. That is why, if we are going to go to conference, we have to have some prior understanding.

Mr. PERKINS. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Speaker, I appreciate the distinguished gentleman yielding to me.

I have noted the remarks made by the gentleman from Pennsylvania (Mr. DENT) and the gentleman from Minnesota (Mr. QUINN) with regard to the negotiations that have gone on and are continuing on this matter. I want to say for the benefit of these gentlemen, the chairman, and other members of the Education and Labor Committee that I did support the House committee bill. I voted against the Anderson amendment and against the Erlenborn substitute. I felt that I could vote for the House bill because it did not broaden the coverage to agricultural workers and did not cover such seasonal employment as the cotton gin operations, which occupy a very special category and a very special situation. Our cotton gins operate only a few days each year, but many hours during this short period. Loss of overtime exemptions will result in an exorbitant increase in ginning costs to the farmer. There is no way the farmer can pass on or offset this cost.

The reason I make these remarks, Mr. Speaker, is that I feel there are several other Members who fall into the same category as I. We want to support increasing the minimum wage, as contained in the House bill, but may not if it extends and broadens coverage to agricultural workers and seasonal employees, who occupy the special circumstances of our ginners. I refer specifically to legislation doing away with the overtime exemptions, as found in the Senate bill.

I hope the gentlemen, in their continuing negotiations, will keep these matters carefully in mind.

MILITARY RETIRED PAY HEARINGS WILL START OCTOBER 3

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, in view of the considerable interest in the Congress in recomputation and related retired-pay matters, I wish to take this opportunity to announce to Members of the House that hearings on military retired pay will begin before the Special Subcommittee on Retired-Pay Revisions, of which I am chairman, on Tuesday, October 3.

The first group of witnesses heard will be Members of Congress. I am making the announcement today so that Members who wish to testify will have as much time as possible to prepare their statements. I ask that all Members wishing to appear notify the staff of the committee by Thursday, September 28. The telephone extension is 56703.

THE SALE OF GRAIN TO RUSSIA

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MAYNE. Mr. Speaker, the House Subcommittee on Livestock and Grain has now concluded hearings on the Russian grain sale after 3 full days of testimony and there was no evidence introduced in those hearings to substantiate Senator McGOVERN's sensational charges concerning this transaction. Once again we find the Senator's statements are exposed for what they usually are—irresponsible and reckless allegations in search of headlines and votes. He has charged that the transaction was tainted by conflicts of interest, that the Department of Agriculture gave grain speculators unique access to inside information to exploit farmers, that the speculators then used this secret information to quietly buy up huge quantities of wheat before the credit agreement between Russia and the United States was announced, and that the Department in effect issued licenses to profiteer to grain exporters who allegedly received huge excessive profits.

The evidence shows that the two principal companies in this transaction acted largely on the basis of their own information which was in some respects superior to that of the Department of Agriculture. They did not receive secret inside information from the Department and they were not speculating in advance of the sale. They were not "long" in wheat holdings when they made their deals with the Russians, and had to buy from domestic sources to make delivery under their contracts. Continental Grain Co. and the Soviet trading organization had already signed the contract on most of the grain involved in this transaction 3 days before the Department negotiated and announced the agreements for credit and the Department did not even know about it! What better refutation could there be of McGOVERN's charges that secret inside information from the Department enabled the companies to manipulate the terms of the sale?

Denying the accusation of "huge windfall profits" the witness for Cargill Inc. estimated his company's profits will be less than 1 percent of sales, and there was not a shred of evidence introduced to contradict the clear and conclusive testimony of former Assistant Secretary Clarence Palmby establishing freedom from impropriety on grounds of conflict of interest.

Senator McGOVERN's remarkable ignorance of how grain sales have long been conducted in this country and his complete misconception of the wheat export subsidy is shown by his September 8 description of the subsidy at Des Moines as "money that goes directly to the exporters and not to the farmers." The fact is the exporters would not pay farmers the higher domestic price if they did not receive the subsidy differential which enables them to sell abroad at the lower world price.

On the basis of all the evidence introduced before our subcommittee, this historic sale is good for America. It is good

for farmers, laborers, and taxpayers alike. The smears and innuendos which have been used against it have not been sustained by evidence, and now stand revealed as crudely partisan ploys of a Democratic presidential candidate who would deny the Nixon administration deserved credit for a much needed increase in exports. I now invite all Members to read the statements of the three Department witnesses who testified at the hearings, which will follow at this point in the RECORD. They are Secretary of Agriculture Earl Butz, Assistant Secretary Carroll Brunthaver and Charles W. Pence of the Export Marketing Service. I will ask permission to insert the testimony of other witnesses on next Monday, September 25.

STATEMENT OF THE HONORABLE EARL L. BUTZ

Mr. Chairman and Members of the Subcommittee:

I am here at your request to testify concerning the large and beneficial sale of U.S. grain which is being sold to the Soviet Union by the private grain trade.

At the outset, I would like to make clear that this sale to Russia is a historic and major agricultural and national achievement.

This sale of grain is good for American farmers—they have stronger markets, higher prices and more freedom to plant. The sale is good for consumer taxpayers—they will pay less for storing excess grain and less for farm program costs. The sale is good for labor—they will have more jobs and more work. The sale is good for our economy—it will be strengthened by this increase in business activity and by a sizeable, favorable contribution to our balance of trade. The sale is good for all citizens—it is a major contribution to bettered commercial and political relations between two powerful nations.

Those facts, I am sorry to say, have been partially obscured by a continuing, patently political smokescreen emanating from innuendoes, misstatements, falsehoods, and haranguing.

My mission here today is to bring some semblance of fact, perspective, and good judgment to the matter.

I urge you knowledgeable men of this subcommittee to join me in the quest for calm and understanding. I am aware that this is more difficult for you since the political leadership of the House has injected politics into the matter by asking you to hold this hearing. I am also aware that it is more difficult for you when a candidate for the Presidency fills the airwaves almost daily with wild, unsubstantiated and inaccurate charges, as he tries to make a political circus out of an historic event.

I can tell you frankly that these biased political manipulations are jeopardizing the present and future sale of grain to the Soviet Union. The political attacks are harming the continuing commercial relations and political relations between two great and powerful nations. The political harangue is jeopardizing the attitude of the American people, the Maritime workers, and the private grain traders toward commercial sales with the Soviet Union. Professional workers in the Department of Agriculture are wondering if they must face a political inquisition every time a trade of this kind is made; prospective appointees with experience and expertise will refuse to serve the Department of Agriculture if they must face character assassination by desperate office seekers who, for personal political gain, try to taint a major achievement.

From the viewpoint of the Soviet Union, it is going through a new experience in dealing in this magnitude with private traders in this country. Soviet officials are more

familiar with state monopolies which make a trade, and that's it. But the Russians, who bought grain here on the same terms as other nations, now find reckless partisan politicians telling the American people that U.S. consumers are subsidizing the sale to Russia. They find a candidate for President, no less, telling the American people that the largest grain sale in history was good only for American grain traders and was bad for farmers and taxpayers. And this candidate is alleging to the Russians that their negotiators let the American private trade make windfall profits out of their misfortunes.

These distortions are bound to cause the Soviet Union to wonder if the Americans want friendly, commercial relations with the Russians. The international sale of farm commodities is a highly competitive business. And I repeat, the partisan attacks on this historic sale to Russia, and the poor judgment displayed, are jeopardizing the present and future sale of American farm products, and all commercial products, to the Soviet Union.

You can perform a statesmanlike and bipartisan service for the country by restoring calm appraisal to the achievement for United States farmers, workers, taxpayers, and citizens that is embodied in this historic commercial transaction between these two nations.

Let's look at what this sale of grain to Russia has done, and what the alternatives would be:

1. It has increased the value of farmers' crops by nearly \$1 billion. The alternative would be less income in farmer's pockets.

2. The sale to Russia has reduced the total stocks of grain in this country—but there are still adequate supplies—and this has enhanced the prospect of stronger grain prices for farmers next year. The alternative would be larger surpluses, lower farm prices, and tighter controls on farmers.

3. The sale to Russia has reduced the cost to U.S. taxpayers so that the cost of the export payments on the sales to Russia are offset by dollar savings of about four to one. The cost of wheat in a loaf of bread has increased by an amount equivalent to only about one-half cent per loaf. The alternative would be higher government tax costs, with farmers getting more of their income from the government rather than from the market.

4. The sale was conducted by private traders, which is the American way of doing business. The alternative would be state monopoly trading with the government conducting our export business.

5. The credit arrangements were negotiated and carried out by experts in the Department of Agriculture who were selected for their experience and knowledge of complicated international trade. The alternative is to have our Department of Agriculture run by political hacks who have no expertise or acceptability in international trade negotiations.

6. The sale to Russia was made by meeting world competition with the aid of export payments that have been used since 1949. The alternative would be to withdraw from wheat exports or to let United States farmers compete individually against the Government monopolies that conduct the wheat trade of other major exporting countries and can offer huge quantities of wheat at prices of their own choosing.

7. The agreement with the Soviet Union was deferred until Russia agreed to our regular CCC three-year credit terms at 6½ percent interest. This agreement came on July 8 after some U.S. farmers had sold their wheat. Our estimates indicate that by July 15 farmers had sold only 330 million bushels of wheat out of a total supply of 1,958 million bushels under farmers' control at the beginning of the season. The alternative would have been to induce the Russians to sign earlier by granting them the 10-year, 2 percent interest that they first requested—

which we are not legally authorized to offer and which, in any case, would have been better than the terms available to our long-time, established world customers.

Despite the clear-cut and obvious advantages of these Russian grain sales for all segments of our economy, a number of questions and complaints have been made about them. Some of these no doubt are deliberate misrepresentations. Some undoubtedly stem from real misunderstanding due to the fact that exporting is a complicated business.

I would now like to address myself to several of these areas of fault-finding.

FARMERS' PRICE BENEFITS

The contention has been made that farmers did not get the real benefits of the Russian sales because they sold before the Russian business caused market prices to rise.

I am aware that some United States wheat farmers sold their wheat before the full extent of the upward influence on price was known. They did this in preference to using the support loan program. This is unfortunate. The number of such farmers is apparently not large, since our figures show that of the total 1972 crop plus farmer-owned carryover into 1972, 83 percent was still owned by farmers on July 15.

In any case, it should be clear that the Department of Agriculture did all it could to make the situation clear to farmers promptly. This is something that the Department insisted upon in making the agreement with the Soviets.

To clarify this, let me take a few moments to outline the steps in the development of this Soviet export business.

As you know, a marketing team from the Department of Agriculture accompanied me on a trip to Russia in April to negotiate terms of trade for the possible sale of grain to the Soviet Union.

This meeting was a follow-up to the grain sale that had been made to Russia last fall, and it followed an indication of interest in further trade by the Soviet Minister of Agriculture, Vladimir Matskevich, when he visited this country last December.

President Nixon, when he visited Russia in May, further enhanced the prospect for trade between the two countries as a result of the Summit Conference.

There are three factors involved in the sharply increased grain trade with the Soviet Union:

1. A warming of relationships between the two nations with a mutual expression of interest in cooperating in cultural and scientific exchanges, and in greater economic trade to the benefit of both nations.

2. A commitment on the part of the Soviet Government to increase the protein component of the diet of its people by 25 percent during the current five-year plan. In order to achieve that goal, the Soviet Government has indicated that it would import food and feedgrains.

3. A severe winter with limited snow cover led to heavy winterkill of fall-planted grains in Russia. The Soviets planted more spring grains to compensate, but these spring-planted grains ran into a hot, dry summer. No one, including the Russians could assess the effect on their grain production until the summer weather unfolded day-by-day.

That was the setting for grain negotiations between the two countries. In April, the Russians did not appear interested in our regular terms of Commodity Credit Corporation trade, including three-year credit and going interest rates. They wished to negotiate for better terms.

If we had had a choice, we would have much preferred to reach a trade agreement in Moscow in early April during my visit. This would have made the news available to all U.S. farmers before the wheat harvest had started. However, the only way that that could have been achieved would have been for the United States to make concessions to

the Soviet Government that it is not making to other nations that have been long-time customers for our wheat and feedgrain. We did not want to do that, and held firm.

The next move was entirely up to the Soviet Government. They decided to agree to our terms on their own time schedule, which became more urgent for them when they began to assess the damage to their grain from the unusually hot and dry summer weather.

As the severity of their weather damage began to unfold, the Soviets came to this country in late June and early July to negotiate further. The entire agreement was reached in eleven days, which is virtually unprecedented in international negotiations. Ultimately, the Russians agreed to our regular CCC terms of credit.

As soon as this agreement was reached, and was signed on Saturday, July 8, the terms were announced to the world in a press statement by President Nixon and then at a joint press conference on the same day by myself and Secretary of Commerce Peter G. Peterson.

We held the signings and made the announcements on a Saturday because we believed that there should be no delay in making the information available to farmers, to the trade, to the nation's citizens, and to the world.

Of course, the handwriting about the future was plain for those who cared to read it and act upon it. As early as last April, upon my return from Moscow, I was confidently and publicly predicting that substantial grain sales to the Soviet Union were in prospect. Many other Department officials did likewise. Between early April and early September, in more than 35 separate speeches, press conferences, broadcasts, and announcements, I explained the sale of grain to Russia.

We did not tell this just to grain companies or just to farmers or just to each other. We told it to the world in speeches and statements that were generally released and widely disseminated. Circumstances have made us even better prophets than we knew.

ROLE OF EXPORTERS

Another complaint we have heard is that the export grain firms were given advance information by the Department about the volume of grain the Russians planned to purchase.

This is absolutely untrue. At the time of the U.S.-USSR negotiations in Washington the first week in July, the Soviets may have had an idea that they were about to enter the markets in a major way. If such is the case, they may have contacted individual grain companies with respect to cash purchases prior to the completion of official conversations with the U.S. Government. In this way, the companies may have known that the Russians were contemplating large purchases. If this is the case, we did not know about it, either from the Russians or from the companies. Certainly, the companies did not learn about it from us.

We do know that Soviet buying agents were in New York during the first week of July. But any contacts they made at that time were with trading firms—not with us. And of course the purchases were made from private sources and not from the U.S. Government. This is long established policy, fully in keeping with the American free enterprise system and with repeated Congressional directives and policy statements.

I emphasize that nobody knew then—neither the Department of Agriculture nor the trade—just how much the Russians would buy. The export traders were not telling each other how much the Soviets were booking with them. The exporters did not tell the Department of Agriculture. Nor were the Russians talking.

It is accurate to say that the size of the Soviet purchases caught everyone by surprise, including the Russians themselves. Soviet grain purchasers were in this country

dealing with the private export trade in July and went home. Unexpectedly, they came back in a few days—apparently after getting a further assessment of the damage that had been done to their wheat crop by the hot, dry weather.

Of course, the Russians did not want to pay more than they had to for the grain, so they were not broadcasting what their requirements would be.

As late as July 6, two days before the signing of the Russian grain agreement, nine U.S. exporters offered to sell 7 million bushels of wheat to the Commodity Credit Corporation for use in the foreign donation program at Gulf prices of approximately \$1.70 a bushel. Would they have done this if they had known that business was pending which would bull the market by between 44 and 48 cents within 60 days?

On the day before the signing of the Russian agreement, exporters booked 2½ million bushels of wheat for export at an export payment of 7 cents a bushel. Would they have done this if they had knowledge of pending business that would force that export payment up to 47 cents in August?

In the entire month of July, exporters booked 153 million bushels at export payments of 15 cents a bushel, or less. Does that sound like the action of people who had advance information as to a wheat buying boom?

NO SPECIAL TREATMENT FOR RUSSIA

Some critics have alleged that the Soviets received special treatment in this matter, either in credit terms or prices.

The Soviets *did not* receive special treatment. When the Soviets bought grain, they bought from international trading companies and paid the open market price just as a Japanese or European buyer would do. If they bought on credit, they had the same credit terms available as other importers—except that CCC credit to the Soviet Union had a dollar limit.

Moreover, let me point out that much of the grain purchased to date is for cash dollars. Commodity Credit Corporation credit is available for no more than \$500 million at any one time, under the terms agreed upon July 8, and if the Soviet Union should buy \$1 billion worth of grain, half of it would have to be for dollars. The other half—the CCC credit—is protected by bank-guaranteed letters of credit.

ROLE OF EXPORT PAYMENTS

Complaints about the export payment or export subsidy program seem to center around the belief that the United States taxpayer is in some manner subsidizing wheat sales to the Soviet Union.

Again, the answer is no. American taxpayers are benefited by these transactions, and by the export payment program that facilitates the overseas movement of wheat.

The export payment program has been used since 1949 to enable U.S. wheat to move into export—to make up the difference between a domestic price at a higher level and a world price at a lower level. Without it, we would have been relegated to the role of residual suppliers in the world wheat market.

Most of our agricultural export commodities move without the benefit of any export payment or subsidy. Once a decision is made to use export payments, there are two ways you can go. You can use a fixed payment rate, which means that you will be competitive only when other suppliers are offering at net export prices equal to yours or above them. Or you can use a variable rate that attempts to achieve targeted prices. This will keep the United States competitive at all times. The latter is the way we have been operating in the case of the wheat program.

Our target for many months has been to hold our export price at approximately \$1.63 a bushel, f.o.b. Gulf ports—a level that was

designed to keep our wheat moving at stable world prices.

We had several reasons for wanting to maintain this stability. We had large stocks of wheat carried over from last year and a large 1972 crop assured. We had a substantial investment in a set-aside program designed to prevent burdensome wheat surpluses. We needed to export large amounts of wheat and at the same time not discriminate against our traditional wheat customers and create conditions that would hurt us in future years.

But with the Soviets coming into the market in a big way in August, we faced a new situation. The United States domestic price rose sharply. This, of course, was all to the good, since one of the goals of our farm policy is to help farmers get a fair price in the market place. It did require, however, that we increase the export payment in order that exporters might buy at the higher domestic prices and continue to sell at competitive world prices.

Within a few weeks, however, it was apparent that something had to give. In view of the prospect that we had equaled or surpassed our export sales goals and the cost of the wheat program had been reduced, we felt justified in permitting the export price of wheat to rise. We so informed the grain exporters on August 25 and allowed them one week in which to book export payments on sales made prior to August 24 at export payment rates made on the basis of world prices that had prevailed until early July.

We did this in the belief that if the Government is going to take part in the marketing process, it has an obligation to play fairly. The exporter is entitled to know what plan we are using, what the rules are, and when the rules are changed. That is why, for example, in past years in the case of large wheat purchase tenders by importers which have remained open for a considerable period of time, exporters had been assured that the subsidy would follow the domestic market and maintain an export price they could rely on.

On sales made since August 24, we are offering export payments at lower rates. Since the domestic price has continued to rise, it is obvious that our export prices are higher. It is too early to tell what effect this will have on export sales for the remainder of the marketing year. Payments on somewhat over 20 million bushels were booked at the lower rates during the period August 28–September 1, indicating that sales are continuing, although perhaps in a reduced volume.

In total, as of September 1, exporters have booked nearly 800 million bushels of wheat export payments covering exports during the 1972–73 marketing year. This is clear indication that our exports of wheat and wheat products for the year will equal or exceed a billion bushels—by far the largest total in our history.

As for the cost of the export payment program, it is true that it involves a Treasury outlay. It does not follow, however, that this is a net cost. Quite the reverse! As I have already pointed out, taxpayers will benefit from dollar savings in the ratio of four to one on the cost of the export payments on the sales to Russia. A total outlay of \$300 million export payments on all shipments to all destinations will bring back Government farm program savings of a half-billion dollars, for a net savings to taxpayers of \$200 million.

RECORD AGRICULTURAL EXPORTS

In conclusion, I want to say a word about the contribution of this Soviet business to our total agricultural export picture.

During the 1972 fiscal year, our agricultural exports reached \$8 billion for the first time. Soybeans became our first \$2 billion a year export crop. Exports of animals and animal products reached \$1 billion for the first time. It was a banner year, and it looked like a hard one to top.

But we are going to top it this year, and the principal reason we are is the sale of wheat, feedgrains, and soybeans to the Soviet Union. Currently, it appears that the Soviet Union will buy between \$900 million and \$1 billion in agricultural products from us during the 1973 fiscal year. If it does, and if our exports to other customers maintain the pace at which they started out in July, we seem almost certain to reach \$9 billion this year and we may approach President Nixon's \$10 billion goal.

The balance of payments contribution of the Soviet sales is likewise impressive. Since all sales will be made for dollars, they represent a direct contribution to our trade balance. In the last fiscal year, agriculture accounted for a favorable trade balance of \$2 billion, offsetting much of the deficit racked up by the non-agricultural sector.

With nearly \$1 billion in Soviet business added, we should increase our contribution to the balance of payments substantially this year.

In quick summary, the grain sale to Russia:

1. Will enhance farm income by several hundred million dollars.
2. Will move our farmers substantially in the direction of getting their income in the marketplace, and away from such heavy dependence on government payments.
3. Will mean less onerous planting restrictions on our farmers as they produce for an expanded market.
4. Will reduce taxpayers costs by some \$200 million.
5. Will create 25,000 to 30,000 additional jobs for our laboring men.
6. Will add one billion dollars to U.S. balance of payments.
7. Will move the world's two most powerful nations along the road to normal commercial relations and peace.

STATEMENT BY CARROLL G. BRUNTHAVER

Secretary Butz and I were asked at this hearing last Thursday whether we had knowledge of alleged calls made by Charles Pence of the Department of Agriculture to "tip off" exporters of an impending change in the wheat subsidy program. The question was correctly answered in the negative.

We had no knowledge that Charles Pence had phoned the trade with so-called tip-off calls or any other. What did happen was that I asked Frank McKnight, Assistant General Sales Manager of the Export Marketing Service, on August 24 to notify exporters immediately that a change had just been made in export policy; which, in effect, notified wheat exporters not to assume that sales made after the close of business on the 23rd of August would necessarily qualify for export payments based on U.S. export prices that had prevailed for the previous 10 months.

Mr. McKnight asked Mr. Pence to make these calls on August 24. This was intended to place exporters on instant notice that if they continued making sales they did so at their own risk as to subsidy levels. This was done to prevent overselling of certain classes of wheat. The exporters were not told what a new U.S. export price would be nor was any information given to indicate that the level of subsidy would necessarily change, only that they could not count on the previous export price policy being continued.

At the time of the questioning last Thursday, I was not aware that these were the calls referred to by Congressman Melcher nor was I aware at that time that McKnight had asked Pence to make these calls.

Notifications given exporters by telephone on August 24 were not considered to be market sensitive since it was not intended to indicate an actual change in either the level of the export subsidy or in the target prices. Any change would depend on subsequent developments. In fact, it was hoped that no change in the target prices would have to be made. As verification of that fact,

I would like to submit for the record a copy of a speech that I delivered on the night of August 24 in which I discuss the desirability of retaining the export price of U.S. wheat at the prevailing target levels.

It was only after a meeting I attended in the Executive Office Building on the morning of August 25 attended by representatives of the Office of Management and Budget, Council of Economic Advisers and others, and with discussions following this meeting with Secretary Butz, that the Department decided to change the U.S. export target price objectives. Even at this time, I urged for retaining the level of U.S. export prices that had prevailed for the previous 10 months so as to protect traditional U.S. customers and to discourage additional competition for U.S. wheat farmers.

Exporters who received telephone calls on August 24 and who may have expected changes in subsidy levels for new sales on August 24 or 25 were wrong. In fact, the subsidy level remained constant from August 17 through 3:30 p.m. August 28. Thus, exporters receiving telephone calls had no advantage over those receiving this information from the August 25 press release.

Congressman Melcher's question to me as to whether advance information of a subsidy change would be helpful to a trader was answered correctly in the affirmative. However, no advance information was given to anyone. The exporters were simply advised afterwards of a change in policy that had already taken place.

To the extent that there is confusion on this point, it is in the fact that there were two separate actions. One, a telephone notification dealing with the cancellation of a target price objective; the second, a press release establishing a settlement period for old sales and a new subsidy level for new sales. No one had advance information of either action. The details of the second announcement were not worked out until a meeting was held in my office on August 25 at approximately 3:30 p.m.; these were announced in a press release shortly thereafter.

STATEMENT BY CHARLES W. PENCE

Mr. Chairman and Members of the Subcommittee:

I am Charles W. Pence, Director of the Grain Division, Export Marketing Service, USDA. This Division is responsible for operating the export payment program for wheat.

I am here at your request to testify concerning certain telephone calls to the grain trade on August 24, 1972.

At approximately 11:00 a.m. Frank McKnight, Associate General Sales Manager, Export Marketing Service, informed me that Carroll Brunthaver, Assistant Secretary of Agriculture, had asked EMS to call the several grain companies involved in grain sales to the U.S.S.R. Mr. McKnight asked me to make these calls.

I called the six companies who we believed had sold wheat to Russia (Garnac, Cook, Cargill, Continental, Bunge, and Dreyfus). As instructed, I told these companies two things:

First, I asked that a senior official of each company meet with the Department of Agriculture and other sellers of wheat to Russia to discuss aspects of the sales, the meeting to be held in Secretary Brunthaver's office at 2:00 p.m., August 25, 1972.

In addition, they were told that as of the close of business on August 23, 1972, the Department's export payment policy on wheat would no longer reflect U.S. export price levels which were in effect previous to the Russian wheat sales.

The meeting called with the exporters who sold to Russia was for the purpose of obtaining information in regard to the quantities sold, classes, and grades, etc., so that the Department would have the information

needed in revising its policy and to prevent the overselling of certain classes of wheat.

In addition to these calls, I called other exporters to inform them that, as of the close of business August 23, 1972, the Department's export payment policy on wheat would no longer reflect a U.S. export price level which was in effect previous to the Russian agreement.

As many exporters as possible were called. This word became public in the trade and exporters were calling me for verification. As a result, I feel most exporters were informed of the change in policy.

The afternoon of August 24 I was asked to look into the possibility of a two-tiered system of export payments. My staff drafted such a system for sales made on or before August 23 and sales August 24 and forward.

This two-tiered system was approved the afternoon of August 25 and was announced that afternoon. The decision to change the effective time of the new policy to August 24 instead of August 23 was made by Secretary Brunthaver and his staff at about 3:00 p.m., August 25, in recognition of the possibility that some exporters conceivably might not have received word on August 24 of the impending change and, therefore, might have continued selling wheat under the earlier export payment policy.

In my view, the exporters who were notified by phone on August 24 would not find this information to their advantage, since I specifically told them that the new payment policy would be effective as of the close of business the previous day, August 23.

COMMENDING 1972 U.S. OLYMPIC TEAM AND MARK ANDREW SPITZ IN PARTICULAR

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 701) commending the 1972 U.S. Olympic team for their athletic performance and Mark Andrew Spitz, in particular, for his unparalleled achievement in the 1972 Olympic games in Munich, Germany.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 701

Resolution by the House of Representatives (the Senate concurring), That—

(1) Mark Andrew Spitz, of Carmichael, California, is commended for the individual excellence, skill, and perseverance that earned him a record seven gold medals in swimming in the XX Olympiad, the historically significant achievement of being the first Olympic contestant to ever win seven gold medals in one Olympiad, and the recognition of being the outstanding Olympian of modern times;

(2) The Congress notes with praise the determination and exceptional athletic ability displayed, individually and in team concert, by the many fine athletes who represented the United States during the 1972 Olympic games in Munich, Germany, and commends the 1972 United States Olympic team for its athletic performance in the XX Olympiad.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOSS. Mr. Speaker, the 1972 Olympic games were an emotional marathon. This body has expressed its outrage, profound sorrow, and disbelief in the senseless tragedy which occurred in Munich. We are still in a state of shock. But today we have an opportunity to

remember the real purpose of the Olympics—to promote interest in education and culture and to foster better international understanding through the universal medium of youth's love of athletics. We have a chance to express our pride in the ability of the young athletes who represented the United States at the 1972 games and gave so much of themselves, as individuals and as a team. There were 33 gold, 31 silver, and 30 bronze medals won by the U.S. Olympic team in the 1972 games. Ninety-four medals is an impressive number, illustrative of the outstanding athletic performance and ability of our athletes.

There is no dispute over the fact that the XX Olympiad was historic and for a number of reasons. Many should be singled out for special recognition, but one young athlete in particular, I feel, deserves our special praise. He exemplifies what determination and perseverance and learned skill can accomplish. That individual is Mark Andrew Spitz of Carmichael, Calif., who I am proud to say is a resident of my congressional district. At the 1972 games, Mark attained the historic achievement of being the first Olympic contestant to ever win seven gold medals in one Olympiad.

Mark has been swimming for 20 years, ever since the age of 2. He has been a recordbreaker throughout his swimming career and at age 18 was recognized as the world's No. 1 swimmer. He has continued to set, and break, national and international records. The 1972 Olympic games were no exception. Mark's unparalleled ability to excel in his sport resulted in four individual and three team records. That is seven events, seven world records, and seven gold medals.

Mark Spitz is a remarkable young man who has been recognized the world over as the greatest Olympian of modern times. He merits the special commendation of his countrymen. So do the many exceptionally fine American athletes who participated in the 1972 Olympic games deserve our commendation. So do the coaches who trained and guided and helped develop the talent displayed by our athletes in the Olympic games. The athletes, who work hard, win the medals and recognition. Their trainers and coaches also work hard, but without receiving the laurels due them. Special mention should be made of a coach like Sherman Chavoor of the Arden Hills Swim Club in Carmichael, Calif. Sherm's coaching has produced many outstanding swimmers, including Mark Spitz and Debbie Meyer of Sacramento, another world recordbreaker and Olympic champion, who won several gold medals in the 1968 Olympic games.

All in all, the many outstanding U.S. athletes and the entire staff who work with the athletes and contribute so much to their success are deserving of our praise and commendation. I know how proud the residents of my district are and am sure that that same feeling of pride in our U.S. Olympians is shared by all Americans.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the concurrent resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMEMORATING THE 200TH ANNIVERSARY OF DICKINSON COLLEGE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 672) commemorating the 200th anniversary of Dickinson College.

The Clerk read the concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring). That the Congress of the United States extends its greetings and congratulations to Dickinson College, Carlisle, Pennsylvania, on the occasion of the observance and celebration by that institution of its two hundredth anniversary, and expresses its recognition of the contribution which Dickinson College has made to educational excellence, and its appreciation of the leadership role which many distinguished alumni of Dickinson have played in the life and affairs of this Nation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GOODLING. Mr. Speaker, on Saturday last I had the privilege of attending an outstanding event in my congressional district. It was the opening convocation in a yearlong program recognizing the 200th birthday of an outstanding institution.

During the coming academic year, beginning in September 1972 and concluding in May 1973, Dickinson College will celebrate her 200th anniversary. The founding date of 1773 is based on the school's earliest legal document, a patent issued by Thomas and Richard Penn. The school, however, had its actual beginning, 1759, in the educational function of two rival Presbyterian pastors in the new frontier village of Carlisle—a little cluster of log and stone houses around a fort of the French and Indian War. In 1769, with the churches united, the school was formally organized with trustees. It was this school which the Penns assured a future place in American life with the patent in 1773.

Throughout the early years of struggle for national independence, the school was both nourished by and nurtured patriots who determined the future course of this free Nation. Included among the nine trustees named in the 1773 patent were two generals and two colonels in the war for independence; a member of the Pennsylvania Committee of Safety, 1775-76; and another who signed the Declaration of Independence, was a member of the Constitutional Convention of 1787, and was a Justice of the Supreme Court by appointment of Pres-

ident George Washington. These men, and other patriots, were joined by Dr. Benjamin Rush and Governor John Dickinson as trustees when the school was renamed Dickinson College in 1783. The eminent Dr. Rush was among those who believed that the long war for independence was only "the first act of the great drama." Dickinson College, older than the Republic, was a commitment to the idea of a continuing American Revolution. He envisioned a national educational system, publicly and privately supported, in which Dickinson College would be "a source of light and knowledge to the western parts of the United States."

Central Pennsylvania is no longer regarded as "the western parts of the United States" but the vision of Dr. Rush has been fulfilled. For over 200 years the school which began so humbly has provided leadership as well as "light and knowledge" to the Nation. Among her alumni are distinguished men of state, medicine, church, law, business, and the arts. She is the only educational institution in America to have had the distinction of alumni serving concurrently as President of the United States and Chief Justice of the Supreme Court.

In her bicentennial celebrations, Dickinson College will be emphasizing the intellectual and spiritual meaning of educational excellence and the future of a pioneering college and people who never cease to be "on the way." This will be done with deep awareness of the goodly heritage in a nation born in adversity, maturing through struggle, and moving toward new and exciting tomorrows. Looking toward the national bicentennial in 1976, these themes and resources in an institution actually older than our Nation might well serve as lessons for all Americans.

In recognizing Dickinson College it should also be noted that one of the best loved and most highly respected employees of this House graduated from Dickinson a half century ago. He is presently serving as a member of the board of trustees. I refer to our devoted chaplain, Dr. Latch.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record on this concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING THE PRESIDENT TO PROCLAIM OCTOBER 1, 1972, AS "NATIONAL HERITAGE DAY"

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 1304) authorizing

the President to proclaim October 1, 1972, as "National Heritage Day."

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 1304

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating Sunday, October 1, 1972, as "National Heritage Day", and calling upon the people of the United States, all of us immigrants, to observe such day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CALL OF THE HOUSE

Mr. HALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRICE of Illinois. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 377]

Abourezk	Ford,	O'Neill
Abzug	William D.	Patman
Annunzio	Gallagher	Patten
Ashbrook	Goldwater	Pepper
Badillo	Green, Pa.	Pickle
Baker	Griffiths	Pirnie
Baring	Halpern	Powell
Bell	Hansen, Idaho	Rangel
Betts	Hastings	Rees
Bevill	Heckler, Mass.	Reid
Blackburn	Hollifield	Robison, N.Y.
Blanton	Jarman	Rooney, N.Y.
Bow	Jonas	Saylor
Byrnes, Wis.	Kuykendall	Scheuer
Byron	Link	Schmitz
Carey, N.Y.	Long, Md.	Scott
Celler	McClary	Skubitz
Clark	McCormack	Smith, Calif.
Clawson, Del.	McCulloch	Springer
Clay	McDade	Steed
Conyers	McDonald,	Teague, Tex.
Curlin	Mich.	Thompson, Ga.
Davis, S.C.	McMillan	Thompson, N.J.
Derwinski	Michel	Veysey
Devine	Miller, Calif.	Waldie
Dowdy	Minshall	Wyatt
Dulski	Murphy, Ill.	Wydler
Dwyer	Murphy, N.Y.	
Edmondson	O'Hara	

The SPEAKER. On this rollcall 347 Members have answered to their names, a quorum.

By unanimous consent, further pro-

ceedings under the call were dispensed with.

FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS, 1973

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16705) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1973, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to a period not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Kansas (Mr. SHRIVER) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 16705, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Louisiana (Mr. PASSMAN) will be recognized for 1 hour, and the gentleman from Kansas (Mr. SHRIVER) will be recognized for 1 hour.

The Chair recognizes the gentleman from Louisiana (Mr. PASSMAN).

Mr. PASSMAN. Mr. Chairman, may I state at the outset that the bill before you today, all parts of it, had previously been authorized by this House. Nothing contained in the bill is new. It has previously been authorized.

Mr. Chairman, in fiscal 1955 the budget request for foreign aid represented about 5 percent of the total unified budget outlays for that year. In fiscal 1973 the budget request for foreign aid represents about 2 percent of the projected total unified budget outlays. Had we permitted the foreign aid program to have progressed as other programs, the budget request could be in the neighborhood of \$15 billion. So, may I say that we have contained foreign aid as it relates to the percentage of the budget requests of the total budget outlays.

The House has previously authorized, as I said a moment ago, every dime of the funds carried in the bill. Now, this bill is too much for many, and it is too little for many others, but I can assure you that it is about the best balanced bill that your committee could bring to the floor for your consideration.

So that we may make some legislative history on Philippine disaster relief, the Committee on Appropriations has received correspondence from the executive branch requesting its support for an

amendment to the Foreign Assistance Act of 1961 now pending in the Senate. The amendment would permit the United States to assist the Philippine Islands in its relief and reconstruction efforts to recover from the floods which devastated parts of the island of Luzon during July and August. If enacted, that amendment would provide up to \$50 million from funds available under part I of the act to help meet the need for external assistance now estimated at \$200 million.

Because this amendment had not been included in the authorizing legislation, as passed the House, the committee felt it should not recommend a specific amount in this bill. However, it supports the request and feels funds should be made available for this purpose from either funds available under part I of the Foreign Assistance Act of 1961, as amended, or possibly even from security supporting assistance funds.

Mr. Chairman, this committee is not looking for bouquets; neither do we like brickbats. We have tried to do a creditable job with a very difficult piece of legislation. You may recall that as chairman of this committee, I have in the past and have, to some extent, this year, placed in the hands of the membership a list of all foreign aid and foreign assistance, meaning, of course, the good and the bad. Some parts of the chart that we put out, we must recognize as good; but I wanted to make it all inclusive so that the Members may have some knowledge as to the total amount of the funds made available either under loans or grants.

Let me make this statement, and I shall stand by it and establish it during the day, this bill is a well balanced bill so far as foreign aid goes. It is by no stretch of the imagination the largest bill ever presented to the floor of this House or to the House of Representatives.

If I may call your attention to title I, usually referred to as foreign assistance, the administration requested \$3,121 millions.

The committee recommends \$2,722 million.

Mr. Chairman, we should contrast that with the bill in 1957, when in title I the administration requested \$4,859,975,000. If we compare the \$4,859 million to the part comparable in this year's bill, we find that amount exceeded this year's request by about \$1.7 billion.

Much of this program is for loans and not outright grants.

The sum of \$450 million is included for military credit sales. What are the terms of military credit sales? They are from 3 to 10 years, with the buyer paying the prevailing interest rate.

If we sell country x \$50 million in military credit sales, that country pays the going interest rate on equipment which the U.S. manufacturer makes a substantial profit and pays tax into the U.S. Treasury.

In addition to the \$450 million in military credit sales, we have also \$350 million in development loans. Even the developing nations are paying these loans back on the due date. I will admit quickly that on most of it we make a concession-

ary interest rate. I would like to see them pay the prevailing interest rate, but that just does not happen to be the policy at this time.

So, if we subtract from the figure I have mentioned all of those items, including, of course, supporting assistance, which we must have in this bill if the present administration or the next administration is going to wind this war down.

Let us make this bill all-inclusive, if we may. If we take title I, title II and title III of the bill, the committee is recommending \$4,195 million. This picks up all of those titles. This is \$967,869,000 below the budget request, which is about a 20-percent reduction.

That is just about the average for this subcommittee. I believe if we will go back for the past 18 years we will find we have averaged about a 20-percent reduction in the foreign aid requests. Let us be realistic. Some would say, "They exaggerate their needs, so that when you cut the bill they have what they want." That is not so. Back in the years when they received 99 percent of every dime they requested that was not said. The very first year the management of this present subcommittee took over, we cut them by close to a billion dollars, and we have maintained pretty close to that percentage average for the entire 18 years.

Let us analyze the bill, if we may. I do not want to be partisan about this. We are in this trouble together.

The bill includes many different items that we have to call absolutely essential. If we may discuss briefly the military assistance program, in the past 25 years every President and every Congress has felt it was in the best interest of the United States to help other countries maintain their freedom by supplying U.S. assistance in the form of funds and personnel.

Examples of this U.S. investment abroad are as follows:

	In billions
Estimated Korean war costs, DOD (fiscal years 1950-54).....	\$18.0
Cost of maintaining U.S. military forces in Korea (fiscal years 1954-70).....	8.6
Military assistance grant aid program (fiscal years 1950-71).....	3.3
Economic assistance programs (fiscal years 1946-71).....	5.3
Total.....	35.2
U.S. MILITARY CASUALTIES IN THE KOREAN WAR	
Killed in action.....	23,300
Dead from other causes.....	10,329
Total deceased.....	33,629
Wounded in action.....	105,785
Missing in action.....	5,866
Captured or interned.....	7,140

The U.S. investment in Vietnam is even larger:

	In billions
Estimated Vietnam war costs, DOD (fiscal years 1965-72).....	\$128.2
Economic assistance programs (fiscal years 1961-71).....	4.5
Military assistance programs (fiscal years 1961-72).....	10.9
Total.....	143.6

U.S. MILITARY CASUALTIES IN VIETNAM
(JAN. 1, 1961-JULY 8, 1972)

Killed in action-----	45,810
Dead from other causes-----	10,234
Total deceased-----	56,044
Wounded-----	303,208
Missing-----	1,119
Captured or interned-----	520

Now, where do we find ourselves today, as compared to past years? For the past 20 years it has been the policy of this country to provide the manpower and to provide the funds.

Under the present policy we are saying, "We are going to bring our personnel home, but we will modernize your forces."

Now, I like that system better: To get our boys home and allow these countries to modernize their forces and let them do their own fighting, if fight they must.

Now, in the military assistance program the administration proposed \$215 million for Korea, the second year's installment in modernizing their forces.

Under the present administration they said they were going to bring home 20,000 troops. That we did, but we agreed we would modernize their forces over a period of 5 years to the extent of \$1,500,000,000. We are saving \$1,100,000,000 by bringing the 20,000 home, so in reality it is only costing us in the neighborhood of \$400 million over a 5-year period to modernize their forces, with this number of personnel withdrawn.

Now, let us, if we may, discuss something that is rather touchy with a lot of people, and that is Vietnam. We have never had a bad President. We have had Presidents who made mistakes, but I do not think this Nation ever had a bad President.

If we discuss Vietnam, we have to go back many, many years, if you please, to the Kennedy and to the Johnson administrations. I think our first economic aid to Vietnam was approved under President Eisenhower; certainly it was under President Kennedy, then under President Johnson, and then under President Nixon.

But what do we find, Mr. Chairman? We find that we have made an expenditure in Vietnam of \$143 billion; we find that we have had killed 56,044, with 303,000 injured.

Now, where do we find ourselves in 1969? We had 543,500 troops in Vietnam. It was costing \$28,800 million a year to maintain our position in Vietnam.

What do we find today? We find that that troop strength has been reduced to a figure in the neighborhood of 49,000 as of 8 weeks ago, and by next December 1 it will be down to 27,000.

Contrast the cost, if you will: \$28,800 million in 1969, and it is estimated to be down to \$7,100 million for the fiscal year 1973.

Why did I bring out these figures? For this very reason: Of course, we are winding that war down. We will have to do something to offset the great loss to the economy of Vietnam, if that is the policy that we have been following all these years. We have to have a program of supporting assistance in that area. Most of the supporting assistance will go to Vietnam.

We have withdrawn the troops. We are

going to have to maintain some stability in their economy.

I did not get us into this mess; we got ourselves into it, and we are getting out. But we are going to have to provide some supporting assistance to that country.

Mr. Chairman, moving along, if we may, to show you we have contained this bill, we are phasing aid out in many of the countries.

Now, if you will turn to page 7 of the report, we will be very specific about the economic assistance. As I mentioned earlier, the figures show the estimate for 1973 as \$1,412 million for economic aid. Your committee is only recommending \$1,197 million for this title this year. I should think practically every Member of the House of Representatives and I am sure every member of the subcommittee voted for these authorizations back a few weeks ago and voted for a higher figure not only in the Foreign Assistance Act, but they voted for these international organizations, so they should certainly support the bill today, especially since we have reduced it by almost \$1 billion.

Let us take a look at the worldwide technical assistance program. That is the one most of us admit is a good one, and it was known as the point IV program, which has been in effect for many years.

Last year the Congress approved \$160 million, and this year your committee is recommending \$155 million, which is a reduction of \$5 million.

If we go over to page 8, technical assistance for Latin America, we see last year the committee provided \$80 million, and this year we are only recommending \$77.5 million, which is a reduction of \$2.5 million below last year.

Mr. Chairman, with regard to international organizations and programs, I do not think there has ever been a bill that reached the floor of the House that I would not have liked to have made some changes in. In most instances it is a matter of compromise. I have never understood why we have to make an aid agency out of the United Nations, but that bridge has been crossed before and it has been in effect for many, many years.

Last year your committee recommended and the Congress approved \$127 million for international organizations. This year your committee is recommending only \$105 million, which is a reduction of \$22 million.

Let us check closely now. One reason why we are making this reduction is that you actually have three agencies working in the field of aid, and they are just about the same. One is the Peace Corps. They are mainly involved with technical aid, as before. Your expanded United Nations technical aid group is, of course, the same as bilateral technical aid. Since you are operating in three areas we thought some adjustment should be made in these accounts, and your committee has gone along on that basis.

Population control. Of course, heretofore we have had population control built into a program where it was impossible to know the cost because it would come out of different segments

of the overall bill. Your committee thought last year we should place a line item in the bill so that we know just what we are spending on population control. Therefore we moved it out of the general area and put it in the bill as a line item and recommended \$125 million. This year, recognizing the very substantial unobligated funds, we recommended only \$100 million.

American schools and hospitals abroad. To my way of thinking, this is a good program and one which we will have to watch closely. When the budget came down this year with several items, Dr. Hannah said they had made commitments on these items and they were essential, but they had not gotten down to the Office of Management and Budget in time to have them included, so he amended his original request, and his total request was for \$25.5 million.

The Indus Basin, on page 13. Last year we gave them in grants \$10 million. Somehow or other we felt we should hold it to that sum this year notwithstanding the fact that they made a larger request. The Indus Basin development loans last year were \$12 million, and this year we are recommending the same amount.

Now we come to the President's contingency fund. Last year Congress approved \$30 million. We feel we have to make some adjustments in this act, so we reduced this to \$25 million.

Mr. GROSS. Mr. Chairman, will the gentleman yield now, or does he wish to finish his statement?

Mr. PASSMAN. I have not finished my statement, but I will yield when I do finish the statement.

Mr. GROSS. I thank the gentleman.

Mr. PASSMAN. On page 15, under the international narcotics control program, the request is for \$42.5 million. We felt that inasmuch as we are going all out to bring this problem under control that the committee should recommend the entire \$42.5 million, and that is the amount we are recommending in the bill. And on page 16 we have itemized information here as to where this money will be funded, and I believe that the Members will find it interesting.

Then we come to development loans. Before I get into development loans let me say, Mr. Chairman and members of the committee, that this is a most difficult bill to handle, and a most difficult bill to explain in detail, even some members of the committee have trouble understanding why the figure this year is in excess of the figure last year.

For instance under the International Development Association, they requested \$640 million, \$320 million in a supplemental for fiscal 1972 that was absolutely denied and \$320 million for fiscal 1973. There is no figure to compare that with last year because we had no appropriation whatsoever.

Let us take development loans. As I mentioned earlier this is one of the most worthwhile assistance programs that we have, and we have found that the developing nations are paying their loans back in dollars, and on time. So far as I know there is less than 1 percent of these loans that are delinquent. Last year we provided only \$200 million for these loans. This year they asked for \$415

million, and your committee is recommending \$350 million in development loans.

Administrative expenses—again, if you expect these people to do a creditable job you are going to have to give them funds with which to administer the program. They requested \$50 million, and the committee is recommending the \$50 million.

Mr. Chairman, I wish that the Members would check very closely page 22 and page 23 of the report, dealing with the military assistance program. It is self-explanatory, but I would like to elaborate to this extent, that we have made certain hard commitments, commitments that we have been making for 25 years, commitments that we have been living up to for 25 years. Whether you like it, or whether I like it, these are the facts of life.

But under the new system, if I may repeat what I said earlier, under the new system we are going to furnish military assistance, but we are not going to provide the men, and to my way of thinking this is a good proposition to be able to furnish the money rather than the money and the men.

Now the Secretary of Defense who we all know and whom we respect very much, a man of great wisdom and sound judgment, says that the \$730 million we are recommending in this bill is inadequate because we have made these commitments when we withdrew these troops and brought them home.

Of course, we are heavily committed in Cambodia. We are not trying to hide anything from you. We must provide that money—and the same is true with Korea, Turkey, and Taiwan.

Now we should not have started this 25 years ago, if we had not intended to see it through.

The same people who requested funds for foreign aid are the same people who request funds for all the other programs. I think we should not get any bouquets, but we should not get any brickbats either for making a 20-percent reduction.

Let us discuss, if we may, the Overseas Private Investment Corporation. This agency has been in effect and in business for about 20 years under a different name. The purpose of OPIC was to protect the American businessman making investments abroad. It is just that simple—it is to guarantee and insure the American businessman making investments abroad against unusual things like war and expropriation.

It has been in effect, as I said, for approximately 20 years. We have controlled this account. But nothing goes out free. The American businessman goes abroad and builds a plant and the Overseas Private Investment Corporation guaranteed this businessman abroad.

We have stayed on top of this account to keep it from getting out from under control. But its main function is to guarantee investments abroad.

Now this year they have asked for \$85 million and, subsequently, it may be necessary to give them a supplemental appropriation because they have lots of claims coming in. But we saw fit not to give them what they asked for—they wanted \$85 million this year and your committee recommended \$42,500,000.

I wish you would read the report very carefully and you will note at a subsequent date they may have to come in for a supplemental.

There is another item, and that is the Peace Corps. This has been a controversial item for many, many years. To my way of thinking, they have never known exactly what they needed. They had a habit of coming in with a request shortly before we started the hearings, then they would reduce it downward. They would wind up with excess funds. So we have been riding herd on the Peace Corps trying to keep them under control.

Now this is an outright grant.

One way of discussing the Peace Corps would be this—that they have spent \$1 billion that we borrowed for them. I should say that for the rest of our lives, we will be paying \$60,000,000 a year interest on that \$1 billion that we borrowed for the Peace Corps and that they spent. But let that be as it may. This year they said, if you give us \$81 million, we will stay off the Hill and we will not do any lobbying and we will not interfere with your processes. I said, rather than to get into an argument with you, I am going to recommend \$81 million and that is all we have recommended in the bill.

Another item, for those who have not studied the bill carefully enough to understand it, and which we want to bring out—and that is the assistance to refugees in the United States.

This is another one of those programs that we did not have a few years ago and which we are obligated to fund—and that amounts to \$145 million.

I want you to look very carefully at that, if you will because this costs a certain amount of money, and the amount that you do not appropriate then your respective States will have to handle through the welfare department for the Cuban refugees.

That is why we want to keep that from happening and why we have recommended a higher figure than we did last year.

The next is the Asian Development Bank. Again your committee has tried to understand what is going on and has been trying to keep some control over multilateral organizations and has looked very closely at this operation.

Even though they ask for \$100 million for the fiscal year 1973, your committee decided not to give them anything. We felt that they had sufficient unexpended funds to keep them right in business for 1, 2, and maybe 3 more years.

So we have denied the \$100 million and it is going to be rather difficult for me to be able to yield on that during the consideration of this bill whether it is in conference or not.

Next item—the Inter-American Development Bank, last year we gave them \$211 million.

It is shocking. This year they wanted \$836,760,000, and we said the answer is "No. We are going to give you half of it—\$418,380,000." I can assure the Members that there are ample funds in this bill to take care of the Inter-American Development Bank; but do not ask us to in-

crease it because it has not been justified.

I think we are entitled to a little credit occasionally for making the reductions we have.

Mr. Chairman, I reserve the remainder of my time.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Texas.

Mr. GONZALEZ. In one of the stages of your message and report there you gave a figure of 143. Was that \$143 million or \$143 billion?

Mr. PASSMAN. What page are you referring to?

Mr. GONZALEZ. You were speaking here about the cost of Vietnam.

Mr. PASSMAN. You will find that on page 5. Yes, the total cost of the Vietnam involvement is \$143 billion.

Mr. GONZALEZ. This is the estimate of the total overall cost on the Vietnam conflict, military, of course?

Mr. PASSMAN. The total cost.

Mr. GONZALEZ. The total cost. Over what period of time?

Mr. PASSMAN. Since we became involved, I believe, under the Eisenhower administration.

Mr. GONZALEZ. 1954. The distinguished gentleman then explained about the decline in activity there, but I am wondering, now, we have been getting all of these other reports about decreased activity in Vietnam as such, but then we get these other reports about increase in actual troop commitments in Thailand and in Laos, increases in naval personnel diverted to the zone or the area. I am just wondering what the total would be today, say, for this last fiscal year in Southeast Asia.

Mr. PASSMAN. I can give that to you. First, Vietnam in 1969 cost \$28,800,000, 000 a year. Now it is down to \$7,100,000, 000.

Let us go over troop levels, if we may, in Southeast Asia. In 1969 the total strength in Southeast Asia was 608,400. It is down now to 123,000.

These sheets are available. That refers to all Southeast Asia.

Mr. GONZALEZ. Outside of South Vietnam?

Mr. PASSMAN. The total Southeast Asia area inclusive, it is about 25 percent of the normal total in 1969.

Mr. GONZALEZ. Did the gentleman mention a figure?

Mr. PASSMAN. It is 600,000 versus 123,000.

Mr. GONZALEZ. I thank the gentleman.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, the gentleman mentioned the \$85 million to the Overseas Private Investment Corporation.

Mr. PASSMAN. Yes.

Mr. ICHORD. I am very much concerned about the future cost of this program particularly because of the expropriation of U.S.-owned property in Chile. May I ask what happens to the premium collected by the Overseas Private Investment Corporation?

Mr. PASSMAN. It is placed in a reserve to meet subsequent claims.

Mr. ICHORD. Then this is the cost over and above the premiums collected by the Corporation?

Mr. PASSMAN. No. It is all in the reserve. Let me say this. They have built up, subject to correction, some \$115 million in reserves over a period of these many years in excess of the claims they had. There have been some unusual things happen in Latin America, as the gentleman knows, and it would appear at this time they have sufficient claims pending to liquidate all reserves they have collected, which includes fees collected, and there is a possibility at some subsequent date they will come in with a supplemental and have to proceed under a lower basis.

They have new management. They have Brad Mills, who I believe is the president of the new management, and we have Dr. Hannah I believe from AID on this board. They are tightening up this program. I think when they get over these unexpected claims we will find the Overseas Private Investment Corporation will improve and we will recoup some of these losses.

Mr. ICHORD. All of this \$85 million is for the payment of claims; is it not?

Mr. PASSMAN. They would make that case but I am not convinced that is true. If we go ahead and load this account with the entire \$85 million added to what we have given them previously and what they have collected in the way of fees, it may make it more difficult if the gentleman understands, for them to compromise these claims out. In other words I say we should not load it up at the psychological moment when the decision must be made as to what claims they are going to recognize as valid.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Texas.

Mr. PRICE of Texas. Mr. Chairman, I rise today in opposition to H.R. 16705, the foreign assistance appropriations bill for fiscal year 1973. It has long been my firm conviction that we can no longer continue to support or can we justify our foreign aid program to ourselves or the American public. Our foreign assistance program still desperately requires extensive re-examination by the Congress.

For years we have been pouring countless billions of dollars into our foreign aid program to the point where it has reached incomprehensible proportions. Despite our great giveaway program, with which we have placed the American taxpayer's money into an endless list of programs and projects around the world, we have in reality purchased very few friends and little peace or security during the past two and one-half decades.

This indeed is not to say that all foreign assistance is bad or wrong. No one can deny those investments which are vital to the military security of the citizens of the United States nor could we as a humanitarian nation not continue to contribute to programs of disaster relief for victims of great natural catastrophes such as floods and earthquakes. However, well planned, logical programs of foreign

aid are one thing—overlavish, unjustifiable, giveaway programs are another story. This is the point to which I am adamantly opposed.

For the record, let us look at some of the facts. Great Britain, which has been one of the worst offenders in trade with Cuba since 1963, has been, since 1946, the recipient of a total of 7,209,000,000 American dollars in the form of economic and military loans and grants. But Great Britain is by no means the only offender. This country is in fact joined by 21 others, including Cyprus and Italy, in supporting through trade a Communist dictatorship that is bent upon destroying the security and peace of the Western Hemisphere. We continue to help them while they in turn help the enemy. While these countries remain the beneficiaries of the generosity of the American taxpayer, the American taxpayer continues to shoulder the burden of maintaining the peace that their self-serving actions only help to destroy.

It is mandatory that we reassess the American foreign aid program with a mind toward eliminating any and all frills including our contribution to the morally bankrupt United Nations. In the future let us have a foreign assistance program that is in fact a real investment in the security of America. Let us put an end to the notion that we can appease others with an endless stream of dollars siphoned from the pocketbooks of weary American taxpayers.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the foreign aid appropriations bill before the House this afternoon gives each of us the opportunity to support the implementation of the Nixon doctrine and to take advantage of what was described during our hearings as "the opening toward peace."

Traditionally, we have regarded this bill in terms of what it was meant to accomplish for other nations. This year, more than any other, the foreign aid funding included in the bill is recommended by our subcommittee because of its direct importance to our own national interests and security.

Our people have invested thousands of lives and billions of dollars during the past two decades to promote stability in an unstable world. Into the power vacuum which appeared after World War II we sent our sons as the United States inherited an unwanted but accepted role as the principal defender of the free world.

During the last 3 years, we have witnessed dramatic changes in this role. The President's plan to "de-Americanize" the war in Vietnam—a plan which has seen more than 90 percent of our troops brought home; the announcement of the Nixon doctrine, which has been instrumental in preventing the United States from swinging from a position of over-involvement to a position of under-involvement—to withdraw our forces while avoiding a dangerous security gap; and the historic trips by the President of the United States to Peking and to Moscow

to change policies of confrontation to promises of negotiations.

During this period, we have seen the costs of maintaining our military presence in Southeast Asia drop from a high in fiscal year 1969 of \$28.8 billion to the estimated cost in fiscal year 1973 of \$7.1 billion. If we are to take full advantage of this progress for peace, however, we must be willing to meet our responsibilities under the Nixon doctrine.

Assistant Secretary of State Marshall Green, a noted expert in East Asian affairs, told our subcommittee that—

Right now would be the worst time in terms of seeking some fruits from the President's visit to Peking and Moscow for us to be slashing aid or support for our friends, undermining mutual confidence in this area.

In his aid message to Congress this year, the President stated:

As we begin to make adjustments in our international role, it is especially critical that we maintain a firm United States commitment to an adequate level of security assistance. For without such adequate levels, our friends and allies will lack the confidence required for successful international cooperation in an era of negotiations. And without adequate security assistance, we cannot safely reduce our military presence abroad.

Our committee is recommending \$750 million for security supporting assistance, \$730 million for military assistance, and \$450 million for foreign military credit sales. This total of nearly \$2 billion is higher than last year's appropriations for these purposes, but as the war is wound down, the need for these funds is more important.

I am not in the habit of supporting large increases in the foreign aid appropriations bills. In fact, since I became ranking member on this subcommittee, our committee has cut these appropriations by \$6 billion below the requests.

But I support this increase for security and military assistance because of its direct and immediate effect on our own Nation. During our hearings, Secretary of Defense Mel Laird, a former Member of this House and of our Appropriations Committee, briefly listed the accomplishments of these expenditures. He stated:

This program has made it possible for us to return to the United States well over 500,000 American servicemen and women from Asia. It has made it possible for us to reduce the size of our military establishment here in the United States by 1,100,000 men and women. It will make possible further reductions in civilian personnel in the Department of Defense, where we have already reduced 280,000.

Our Nation's vital interests and our security are affected by these funds. Our committee report points out that we have invested over 56,000 American lives and nearly \$150 billion in our attempts to help South Vietnam protect itself against aggression from the North.

It is pointed out in the committee report that we have invested over \$35 billion and more than 33,000 American servicemen in assisting Korea in resisting Communist invasion.

Support assistance as called for in this bill is needed to make sure that these American investments in Korea and Southeast Asia shall not have been in

vain and to assure an honorable peace in Asia.

Since our chairman has discussed in detail what is in this bill, I will just touch briefly on several other items which, in my opinion, warrant your attention.

We are recommending the full budget request of \$42.5 million for international narcotics control. I agree completely with President Nixon's comparison of the invasion of illegal drugs into our country with an overt armed invasion by a foreign power. Both types of invasion threaten our society.

Our committee received an estimate of the total cost of drug abuse in the United States of \$3 billion annually, and some estimates of the cost go to twice that figure. Most of this is property crime cost to the victims of drug addicts. Compared to this huge cost and unquestioned cost is human terms, this \$42.5 million is a wise investment.

We recommend the full \$7.3 billion program limitation for the Export-Import Bank. This Bank has been responsible for inflows of \$21 billion to the U.S. balance of payments, one-fourth of this amount in the last 2 years. At a very nominal cost, the Export-Import Bank has initiated a very worthwhile program of local export seminars in various locations around the country. I have worked along with people in my own hometown in sponsoring two of these seminars for Kansas businessmen. The response and results have been most encouraging. Exports from my own congressional district increased from \$60 million in 1969 to \$115 million in 1970, and this growth is continuing. These exports mean new jobs here in this country, and the committee has supported the Bank in these programs.

One program I have long been interested in is our contribution to refugees over the world. It is not one of the larger items of this bill, but one of great interest to most of you and our constituents. We have added to our contribution the sum of \$50 million for Jewish refugees from the Soviet Union.

Israel will benefit from this bill specifically in the following ways:

First. The committee strongly recommends AID's paying costs and expenses for medical education and research in dollars;

Second. A proviso that \$50 million may be allocated to Israel from security supporting assistance;

Third. A proviso that \$300 million may be allocated to Israel from foreign military credit sales funds.

Fourth. A special State Department program to assist Jewish refugees from the Soviet Union. Only \$50 million of the authorized \$85 million is allocated because the committee does not think more is needed at this time, but the committee is willing to consider any further requests as necessary.

Mr. Chairman, there are many other items in this bill, of course. But I will not take up any more time. I recommend to all of you to read the committee report and to look through the hearings which are available at the committee tables. As usual, our dedicated chairman, Mr. PASSMAN, and the other members of

the subcommittee have studied these programs extensively and I commend and congratulate each member. Chairman PASSMAN has done his usual fine job of recommending reductions in the items of this bill.

While including adequate funds to protect and promote our national interests, we have cut this bill by nearly a billion dollars from the budget requests. This cutback may force the delay or even cancellation of some desirable and worthwhile programs in underdeveloped countries, and that is regrettable. But we have been forced to cut back on many desirable and worthwhile programs for our own people this year in view of the large budget deficit. We certainly should not be adding new foreign projects in spite of domestic cutbacks.

I urge your support for this bill.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to my chairman.

Mr. PASSMAN. I wish the gentleman would elaborate briefly as to why this recommendation is higher than that of last year. Of course, we are \$967 million below the budget estimate.

As I mentioned earlier, last year we had no request for the International Development Association, which accounts for \$320 million of the increase. Likewise, on the development loan fund, we reduced this item last year and almost crippled the development loan fund. It was necessary to increase that by \$150 million. In addition thereto, there is the Inter-American Development Bank. We gave them \$418 million and they asked for \$846 million this year. Even though we cut them, that accounted for an additional \$200 million. There was extra money, of course, for supporting assistance, so we could wind down this conflict in Vietnam and partly fill the vacuum created by the withdrawing of our troops.

Have I stated that in accordance with the gentleman's understanding?

Mr. SHRIVER. Yes. I would further emphasize the importance, as I have throughout my brief remarks, of the security supporting assistance. The added funds there, the added funds for military credit sales and for military assistance are items that are important in connection with winding down the war, bringing our troops home, getting out of our involvement, letting them do the job and take care of their own problems.

Mr. PASSMAN. Will the gentleman yield?

Mr. SHRIVER. I yield to the Chairman of the committee.

Mr. PASSMAN. I have it from the very highest authority that if we do not furnish this supporting assistance and this military assistance it could very possibly prolong this conflict which we are all praying will come to a conclusion.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the chairman.

Mr. J. WILLIAM STANTON. Mr. Chairman, I have read very carefully the portion of the report of the Appropriations Committee on the foreign aid and related agencies appropriations

bill, 1973, on the Inter-American Development Bank. I have listened carefully to the statements of the distinguished leader of that committee's Subcommittee on Foreign Operations. I would like to sincerely disagree with the conclusions of the report and the statements of the distinguished member and support the full funding of the Inter-American Development Bank. Certainly, the IDB and the work it does is no stranger to the members of this House simply because of the performance and service it has rendered in the development of Latin America and the reputation it has gained as a sound development banking institution throughout the world. Authorization bills for the funds we have been asked to appropriate here today have been passed not once but twice by this body, the last time being in February of this year when the contribution to the fund for special operations was fully debated on the floor of the House and legislation passed by a vote of 285 yeas to 102 nays.

As I stated previously, Mr. Chairman, the IDB is well known to this body which has given its vital support to it from its founding in the later years of the administration of President Dwight Eisenhower through the administrations of Presidents John Kennedy, Lyndon Johnson and now the administration of President Richard Nixon. During this period, Mr. Chairman, the Bank has become the prime focal point for Latin American economic and financial activity making some 679 loans in the amount of \$4.75 billion.

However, the total resources mobilized for these projects in Latin America amounted to more than \$13.6 billion. This means, Mr. Chairman, that for every dollar supplied from the Bank's resources in a project loan approximately \$2 came from counter-part funds supplied primarily from the recipient Latin American country itself to finance projects which are for development.

Then, Mr. Chairman, if we add together the Latin and nonmember country resources which go into the total cost of an IDB project we find that the average effective U.S. contribution runs only about 30 percent of the total invested in any one project. This seems to demonstrate rather graphically to me the ability of the Bank through its financial and technical capabilities to attract to its projects substantial additional resources which have had the effect of more than tripling the funds coming to the Bank itself from its member countries.

Of course, this leveraging of the Bank's funds has made possible a greater benefit to the welfare of a larger number of peoples of Latin America inasmuch as the Bank's projects themselves are designed to affect those self-sustained sensitive economic areas crucial to stimulating further growth and not solely to yield a direct profit-type return. This also emphasizes the confidence in the leadership of the Inter-American Development Bank of the Latin American member countries and non-member countries who supply the funds. I submit, Mr. Chairman, that the self help and burden

sharing which the Inter-American Development financing of Latin America is something that this Congress should encourage rather than discourage.

While the IDB has been most successful in mobilizing additional counterpart resources from its member countries, the generation of funds through borrowings in the capital markets of the world has provided the Bank with over a billion dollars to date. Of this amount to date \$578 million was raised in 16 nonmember developed countries. Another \$217 million has been contributed by nonmember countries and entities in the form of trust fund and other financial arrangements which the Bank administers. This type of participation by the world financial community seems to me to be very substantial evidence of the confidence of world financial leaders in the soundness of the projects and the financial integrity of the Bank.

As you are aware these funds raised in the capital markets of the world are backed by the callable capital subscriptions of member countries. These callable subscriptions would be called only in the extremely unlikely event they were needed to cover repayments of these borrowings and are very much of a contingent liability in view of the fact that they have never come close to being called since the time the Bank was founded. They do not constitute a budgetary outlay for the United States or the member countries. Of the \$837 million requested in this appropriation \$336.8 million is for the U.S. share of the callable capital.

Mr. Chairman, it is interesting to observe as we debate this appropriation, which with reference to the fund for special operations portion is long overdue, virtually all of the Latin American countries have agreed to subscribe to that replenishment and have actually deposited their instruments of payment. In connection with contributions to the fund for special operations, the Latin American countries themselves are supplying an increasing share of these resources which finance such important projects as water, sewage, technical education, health, housing, and agriculture.

In relation to the U.S. contribution of a billion dollars for the FSO in this replenishment, the \$500 million Latin American contribution places their share at 33 percent which represents a marked increase from the 16-percent figure in the first major replenishment of FSO in 1964. With respect to the ordinary capital subscriptions at the completion of this replenishment the U.S. subscription to the Inter-American Development Bank would total 40.4 percent of the Bank's total ordinary capital of \$4.9 billion including the recent subscription by Canada of almost \$250 million.

Mr. Chairman, in May of 1959 when President Eisenhower submitted to the Congress of the United States the original proposals for the founding of the Inter-American Development Bank he spoke of a special relationship: historical, political, and economic between the United States and the Latin American Republics; he mentioned the pressing economic and social problems in the area;

and emphasized the desirability of establishing an institution which would specialize in the needs of Latin America and whose work would be supported in large part by Latin American resources. These are still valid reasons for supporting the Bank today.

The wisdom of the original decision to found the Bank has been confirmed by the favorable results evidenced by the region's high rate of growth which has been due in no small measure to the Bank's financial and institutional building programs.

Finally, Mr. Chairman, recent statistics show that in 1971 gross domestic product in Latin America increased at a rate of about 6.6 percent which considerably exceeded expectations prevailing at the beginning of the 1960's when the economic growth targets of the Alliance for Progress of 6 percent and of the first United Nations development decade of 5 percent were established. Of all the developing regions of the world, Latin America demonstrates by far the highest rate of growth today and can reasonably be expected to increase its relative lead. This has led to expansion of its market and the capacity of the region to purchase goods and services resulting in large annual balances of trade in favor of its traditional trading partner—the United States. However, immense problems remain for an area of 265 million people with an accelerating rate of population growth. This is a critical period for the continent and the Inter-American Development Bank under its distinguished new President, Antonio Ortiz Mena, who as the Finance Minister of Mexico for 12 years made such a valuable contribution to the growing economic development of that neighboring country. It would be a tragic and short-sighted mistake in my opinion, Mr. Chairman, for this House not to support the full funding of the Inter-American Development Bank and to continue to participate with the peoples of our own Western Hemisphere in their attempts to achieve for themselves viable national economies and a greater measure of human dignity.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman.

Mr. FRELINGHUYSEN. I would like to begin by congratulating the gentleman for his statement in support of this bill, and I agree with much of what he has said. I think the bill should be approved. However, I am concerned about some of the specific reductions made by the committee. They do not seem to me to be justified by the statements that have been made thus far.

As an example, what is the nature of the reduction proposed for international organizations and programs? The dollar amount is roughly \$20 million below the amount requested, but I cannot find whether the committee feels that that cut should be taken out of the amount requested by the United Nations development program or whether it should come from some other program.

I would hope that the somewhat harsh language with respect to the UNDP is

not a reflection on the value of the UNDP as one of the ways in which the United Nations can provide some assistance.

May I ask the gentleman whether the proposed reduction is all to be taken out of the \$90 million which is requested for the United Nations development program?

Mr. PASSMAN. Will the gentleman yield?

Mr. SHRIVER. I will be glad to yield to my chairman (Mr. PASSMAN).

Mr. PASSMAN. Somewhere, in some way, we are going to have to recognize that the United Nations was never intended to be a foreign aid distributor. We just felt it was necessary when we looked at the record and now the many technical aid programs we thought we should bring these multilateral organizations under a little better control.

In addition to that, they have a substantial reserve they can draw upon.

Mr. FRELINGHUYSEN. Will the gentleman yield further?

Mr. SHRIVER. I yield to the gentleman.

Mr. FRELINGHUYSEN. I assume the gentleman from Louisiana is not attempting to answer my question. If he was, he evidently did not.

My question was whether the proposed reduction was meant to come from the U.N. development program, or elsewhere. The remarks of the gentleman from Louisiana simply were to the effect that multilateral organizations were not to be trusted, in effect, and that the United Nations should not be engaged in assisting other nations.

I would have thought that one of the fundamental justifications for the United Nations was that it can, and does provide the kind of expertise that the development program furnishes. I would hope this is not simply blind hostility and resistance to the value of multilateral organizations. I hope that is not the basis for the proposed cut.

Can I renew my question to the gentleman from Kansas as to where the cut is supposed to be applied? Is it across the board?

Mr. PASSMAN. Will the gentleman yield?

Mr. SHRIVER. I yield to the chairman.

Mr. PASSMAN. In answer to the question, it is mostly in the UNDP because it is the largest. UNICEF has \$15 million earmarked specifically. It will not affect the \$15 million for UNICEF. The UNDP is the biggest program, and we felt inasmuch as it was testified to before our committee that the bilateral program was doing a much better job, we should be a little bit stronger on bilateral and not quite as strong on the multilateral.

Mr. FRELINGHUYSEN. If the gentleman will yield further, I do not know what point the gentleman from Louisiana is making.

Mr. PASSMAN. I do not know what your point is, either.

Mr. FRELINGHUYSEN. Mr. Chairman, can I have regular order? I would like to finish my question to the gentleman from Kansas.

The gentleman from Kansas said

UNICEF was not to be cut. I see no assurance to that effect in the report. I would like to have an assurance that the United Nations relief agency is not to be cut.

Mr. SHRIVER. No such program is to be cut. We have provided in many places for development loans unilaterally throughout this bill, both in the Alliance for Progress and the general development loans. We thought we were doing a good job this year to make those moneys available.

Mr. PASSMAN. Will the gentleman yield further?

Mr. SHRIVER. I yield to the gentleman.

Mr. PASSMAN. Of course, we did earmark for the children's fund \$15 million in the bill.

Mr. FRELINGHUYSEN. Will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman.

Mr. FRELINGHUYSEN. I might say to the gentleman, if he yields further, that I hope this discussion will not pinpoint that the UNDP is to take the full amount of the proposed cuts. I regret if such a judgment should have been made by the committee, because I think it is erroneous. The UNDP has proven by its past record that it is capable of doing a good job. I think the amount requested was a reasonable one and this substantial cut is unreasonable.

Mr. PASSMAN. Will the gentleman yield for a clarification?

Mr. SHRIVER. I yield to the chairman.

Mr. PASSMAN. The UNDP does not absorb the entire cut. If you will read the bill and the report, you will see that. The only item that is earmarked is \$15 million for the children's fund. The others will take proportionate cuts depending on their proportion of the overall cuts.

Mr. FRELINGHUYSEN. Will the gentleman yield again?

Mr. SHRIVER. I yield to the gentleman.

Mr. FRELINGHUYSEN. I just understand from the gentleman from Kansas that the UNDP was going to be the place where the prime cut would be taken. Now I hear the gentleman from Louisiana give us what is supposed to be an assurance that they will not be the only ones cut. I would like to have a clarification as to which of the other programs that should be financed—and I would think at the level requested—will have to cut and where they think cuts can be safely made.

The gentleman's statement simply adds to my contention as to what would be the result of a cut of this size. I suppose, if you have to make a cut, it would be better to cut just one of the international agencies than to have every one of them absorb a 20-percent cut, with the exception of UNICEF. It certainly does not console me at all. There is nothing in the statement of the committee that indicates where the cuts should be made. In spite of the clarifications, as I guess we will call them, of the gentleman from Louisiana, I am more confused than I was when I first asked my question.

Mr. PASSMAN. Will the gentleman yield again?

Mr. SHRIVER. I yield to the chairman.

Mr. PASSMAN. We made the appropriation on an illustrative basis with the exception of \$15 million for the children's fund. On the other programs we would assume they would be funded on a priority basis, wherever the administrator determines the reductions should be made. We are not trying to embarrass the administrator of the program, but somewhere along the line cuts will have to be made, and I will say to the gentleman in all probability you will see amendments before the day is over even to cut the bilateral program. We think it has been testified to in the report the bilateral program is definitely doing a better job than the multilateral program in the same field.

There is nothing personal about this, we are just trying to save a few million dollars that we are going to have to borrow to fund the program.

Mr. SHRIVER. In further answer to your question, if you will look at page 2 of the bill under international organizations and programs it says:

For necessary expenses to carry out the provisions of section 301, \$105,000,000, of which \$15,000,000 shall be available only for the United Nations Children's Fund.

In other words, flexibility is left to the administration in connection with this.

Mr. FRELINGHUYSEN. If the gentleman will yield further, the only flexibility is to cut from the amount requested by about 20 percent. That is a very substantial cut for programs which in large part are very small. I would suppose it could have disastrous results to cut substantial amounts from some of the items listed in the committee report. Perhaps this means the obvious target is the UNDP. If so, we are back where we began and presumably the cut will be taken largely from the hide of UNDP. As I have said, I think this is an erroneous judgment on the part of the committee. And the discussion we have had here has not alleviated my apprehensions as to what will be the result of such an interpretation.

Mr. SHRIVER. There were requests made in many instances for far more than we are recommending in this bill for many items such as technical assistance and many other items throughout the bill.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield further?

Mr. SHRIVER. I yield further to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I appreciate the gentleman yielding. Let me say that in some of the programs we cut them 100 percent, we cut whole programs out altogether. Some programs we cut 3 percent, some programs we cut exactly 50 percent. We think that, based upon the testimony of the witnesses that the emphasis should be placed on the bilateral program—and I do not like to put this in the RECORD because, you know, this bill has many, many stages to face before we can bring it to conference and report back to you.

Mr. PASSMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. HALEY).

Mr. HALEY. Mr. Chairman, I oppose this bill, as I have all foreign aid bills since I have been a Member of this Congress.

Mr. Chairman, we are gathered in this Chamber today, in the face of perhaps the worst fiscal crisis our Nation has ever faced, and certainly the most severe crisis that has arisen during the service of any Member of this body.

But we are not gathered to solve that critical problem to our future. The purpose of our meeting today is to worsen the crisis, by again appropriating additional billions of dollars we do not have and therefore must borrow so that we might lend a so-called helping hand to other nations in our constantly failing effort to buy their friendship and their support.

At the very moment we are meeting to authorize this unconstitutional misuse of revenue taken from our overburdened taxpayers—revenues in the amount of \$4.2 billion—we are confronted by the knowledge that next week we will be asked to increase the ceiling on our national debt to \$450 billion. We are asked to increase this ceiling in order that our Government may continue to defy our need for a sound fiscal system, a balance budget or at least an approach to that, by spending money we do not have and therefore must borrow.

And at the same time, Mr. Chairman, we are faced with the demand of the President of the United States that we impose on Government spending for the current fiscal year, a flat ceiling of \$250 billion. I certainly am in favor of a rigid ceiling on government expenditures—but the President knows, as well as you and I know, that such a ceiling as he proposes will in the long run be meaningless because the programs which he has requested, and which a congressional majority wants because this is an election year, will cost more than that when added to the routine, necessary expenditures for Government operations.

But it occurs to me that this Congress is in a great position to help the Chief Executive to at least move in the direction of realistic imposition of the quarter-billion-dollar ceiling he suggests.

We can this very day take one simple step which will accomplish three great purposes. By one vote, we can reduce by \$4.2 billion the amount of the prospective deficit of \$31 billion for the next fiscal year—can reduce by \$4.2 billion the necessity for elevation of the debt ceiling—and can provide inspiration for meeting the President's request for a \$250 billion ceiling on the current fiscal year's Federal spending.

I therefore urge, Mr. Chairman, that my colleagues join me in achieving this threefold goal—by simply casting one vote per man to defeat this proposed \$4.2 billion bill to finance our foreign aid operations.

I shall vote against the bill, commendably cut heavily, though it may have been by the distinguished members of the House Appropriations Committee. I hope that a majority of my colleagues would join me in this effort.

Mr. PASSMAN. Mr. Chairman, I yield 8 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, first I want to say that I have long admired and enjoyed working with my colleague, the gentleman from Louisiana, the chairman of this subcommittee (Mr. PASSMAN). I voted for the bill and for the foreign aid authorization. I voted for it largely and quite frankly, because I wanted to make sure that there would be some money in here for Israel—because that beleaguered country is having a difficult time trying to survive. However, this appropriation bill does not increase any funds for Israel, it just gives them the same amount of money as last year. As a matter of fact, it does not even do that. One of my amendments will be addressed to that.

I oppose this bill, because it is too high. I am not against foreign aid, but I am against this tremendous increase.

The gentleman from Louisiana (Mr. PASSMAN) talks of a decrease of \$967 million as a cut. That is not a cut. This is a cut below the President's budget request, and the President is asking for one of the largest foreign aid appropriations in the history of the bill.

I have a table that the gentleman from Louisiana (Mr. PASSMAN) prepared which shows \$5.1 billion. This budget request is way above anything else before. It was cut nearly a billion. The sum of money that is left is \$1 billion greater than last year. It is \$2 billion greater than the year before. It is 2½ times what it was 4 years ago in 1969.

This is unconscionable. As a result, I have decided to offer a number of amendments. I am going to offer amendments to cut the Alliance for Progress Development loans by \$15 million, the Worldwide Development loans by \$150 million, the military assistance by \$229 million. The Security Supporting Assistance by \$200 million. The Overseas Private Investment Corporation by \$30 million. The Inter-American Development Bank by \$206.6 million. The International Development Organization by \$160 million.

Except for the International Development Organization, all of these amendments merely cut the programs back to last year's appropriations. The total added together did not quite bring the bill down to last year.

Now you know the President has been criticizing the Congress for overspending and causing inflation and debt and making it necessary to increase taxes next year.

JOHN BYRNES yesterday said there was going to be a tax increase next year.

The Baltimore Morning Sun reported that, a White House aide said a tax increase will be necessary next year to pay for congressional overspending.

Think of the needs of all your people back home—for pollution control, flood control, better schools, help for the physically handicapped and the mentally retarded, and the need for more police and courts and prisons to fight crime and to stamp out drug traffic.

Sure, there is a little money in this bill to cut out drugs from abroad, but that will not do the job.

Then there is the need for more income and hospital care for the elderly, help for the cities and rural areas, welfare reform, revenue sharing, and stop-

ping the deficit financing by the Department of the Treasury.

That is not going to reduce taxes.

This bill raises foreign aid by one-third—33⅓ percent. Would you not like to take a bonanza like that back to your district to help the elderly, the sick, the disabled, the mentally retarded, the crime ridden cities, to help pay for the courts, and to be able to cut taxes a little bit?

Instead, we have this huge increase in foreign aid in the face of all the evidence that it has done little or nothing to help the people for which it was originally intended—the poor and the down-trodden.

I received a dispatch from the United Nations Food and Agriculture Organization just a couple of days ago.

A Reuters report from Rome stated that between 300 and 500 million people in the world are suffering from malnutrition—the same number as 15 years ago.

Now to quote the gentleman from Louisiana (Mr. PASSMAN) for whom I have the profoundest respect—and with whom I agree until he marks up a bill:

The foreign aid bill has been fragmentized so that the most astute Member of Congress had difficulty picking out the requests in the budget and putting them together in one place where you can look at the grand total.

In another place, the gentleman from Louisiana (Mr. PASSMAN) said that the foreign aid program has gotten totally out of control. That is why I am going to offer these amendments when the time comes.

Let me say in offering these amendments, I hope the gentleman from Louisiana does not take the position that he seems to have—that the offering of these amendments is some kind of act of disloyalty. I do not believe a member of the committee is supposed to go along with the committee on everything. I do not see why we cannot offer amendments. I do not see why we have to follow the authorization. We are not slaves to the authorization. Once we are told that we have to go along with the authorization, why on earth do we need a Committee on Appropriations?

Mr. Chairman, I yield back the balance of my time.

Mr. SHRIVER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to have the attention of the gentleman from Maryland (Mr. LONG), for I want to commend him for the statement he has made. The gentleman has said many of the words I would have said in opposition to the foreign handout program and assure him that I will certainly support his amendments to reduce the spending under this bill.

Foreign aid in all its aspects has gone from \$12 billion in the fiscal year 1971 to \$13,500,000,000 in 1972 and to \$18.5 billion in this fiscal year 1973.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Let us keep the record straight. The foreign aid bill has been reduced.

Mr. GROSS. I am talking about all aspects and all faucets spewing out foreign aid.

Mr. PASSMAN. I know, but the gentleman wants to be fair. The gentleman is talking about the Export-Import Bank that has actually made billions for the United States Treasury since it has been in business. The gentleman included military credit sales, which is paid back in about 3 years and at going interest rates. The gentleman included the Development Loan Fund. What the gentleman is doing is making it all inclusive, but the gentleman is not taking out those items that should not be included as foreign aid. I know the gentleman wants to be fair, and I hope he will correct the record.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Maryland, but first let me say that I was not referring to any particular institution.

Mr. LONG of Maryland. Mr. Chairman, I appreciate what the gentleman has just said, because up until this particular meeting the figures the gentleman from Iowa has been quoting have been precisely the figures that the chairman of the subcommittee has been quoting for years and years. Those are exactly the figures he has been quoting.

Mr. GROSS. I was just going to say that the figures I have used are the figures of the gentleman from Louisiana.

Mr. PASSMAN. If the gentleman will yield further, the gentleman did not say foreign aid. The gentleman should read the recapitulation. It says foreign aid and assistance, and I tried to give the membership the information I thought they would appreciate. I do not think the gentleman should have twisted my words to make it appear as foreign aid. It is going to make me reluctant to do his research in the future. Let us correct the record and show it is foreign aid, and the economic part is only about 25 percent of the outright foreign aid grant we had in 1957. In the future the gentleman will have to smile and be very nice to me for me to do his research work for him and give him these figures which I have accommodated the membership with in the past.

Mr. GROSS. Maybe I need a new source of research.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I think this is exactly the impression the gentleman has been trying to convey over the years. That is why he put all of these programs together, to add up to a \$13 or \$18 billion figure.

The gentleman calls it foreign aid and assistance. I do not see where the big distinction is there. If assistance and aid are not synonyms, I do not know what they are.

Mr. PASSMAN. If the gentleman will yield further, I told the distinguished gentleman earlier that he did not understand the bill. I hated to report it in the

RECORD. There is a lot of difference between aid and assistance. One is we are talking about grant aid, and one is a good, hard loan that will be paid back, so that the manufacturers will make a profit, and they will pay the prevailing interest where we extend credit, whether it is 3 years or 10 years.

Mr. GROSS. Perhaps I should have risen here today to speak in support of this bill, because I am opposed to it.

Mr. PASSMAN. I want to commend the gentleman for taking his position, as long as he keeps the record straight. That is all I am interested in.

Mr. GROSS. Mr. Chairman, I would hope that the gentleman from Kansas could give me 5 additional minutes.

Mr. SHRIVER. I yield 5 minutes additionally to the gentleman from Iowa.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Apparently now my friend is making a distinction somehow between money that we grant and money that we lend or give away, or what I call very soft loans indeed. I have listened to the gentleman for many scores of hours in the committee while he told the various people that came before us that he was pretty certain that we were never going to get this money back, and I would ask anybody to tell us when in the history of our aid programs in all of the world we have ever gotten our money back. I do not think the distinction between grant and loan is very valid.

Mr. PASSMAN. Mr. Chairman, if the distinguished gentleman will yield one more time, of course the gentleman is making a statement not supported in the record. I never made any such statement as that any place, that we would not be paid back from the Export-Import Bank. If the gentleman can show me where I made that statement I will send my letter of resignation to the Speaker of the House. The gentleman is pulling out these words trying to impress his constituents, and that is one thing, but to put something in the RECORD attributed to the gentleman from Louisiana is something else. I defy anyone to show me where I have ever said these Export-Import Bank loans would not be paid back, so start the research and come up with the information.

Mr. GROSS. Mr. Chairman, if I heard the gentleman correctly earlier in his remarks to the House, he said the administration's promoters of foreign aid did not have an asking and a taking price. I would like to refer to page 655 of the hearing record for this year, wherein the gentleman from Louisiana (Mr. PASSMAN) had this exchange with Mr. DePalma as follows:

Mr. PASSMAN. I would assume that you support the philosophy of the great AID Director, Dr. John Hannah as far as you can, do you not?

Mr. DePalma. In general I do, certainly. Mr. PASSMAN. He has stated that on all AID programs there is an asking price and a taking price.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield further, of course,

there is an asking price and a taking price.

I might say that this humble country boy chairman, since he became chairman, has reduced this bill from the asking price down to the taking price by some \$14 billion. So, there is a great deal of difference between what they are asking and what we have recommended.

Mr. GROSS. So, the issue the gentleman has made out of the fact that this bill has been reduced by less than a billion dollars from the budget asking does not mean very much, does it? It is still far above spending for the same purposes last year.

Mr. PASSMAN. It all depends on who is using the words.

Mr. GROSS. It simply means there is a highly inflated asking price so that they will get a fat increase.

Mr. PASSMAN. If the gentleman will yield for one clarification.

Mr. GROSS. Yes.

Mr. PASSMAN. The Export-Import Bank, which is one of the finest agencies in the Government, it has made and paid into the U.S. Treasury since it came into being many billions of dollars. That is paid by the manufacturers. The manufacturers make a profit. They pay income tax into the Treasury, but in making loans they are charged from the date of the loan and they pay interest, and that is paid into the Treasury. This year alone under the Development Loan Fund, in the so-called AID program, there would be \$215 million cash paid into the United States by them.

Mr. GROSS. Mr. Chairman, I would like to ask the gentleman a few other questions if he has the time.

Mr. PASSMAN. If the gentleman does not have the time, I will be happy to yield time to him.

Mr. GROSS. We might start out with the organization known as the Inter-American Foundation, formerly known as the Inter-American Social Development Institute. This appears to be a lovely little outfit of wide-eyed do-gooders who claim to deal with people, not governments. It seems they have a trash pickers' project going in Colombia and a housewives club in Honduras which we are financing. Could that be right?

Mr. PASSMAN. Let me say to the distinguished gentleman, I want to answer his question.

Mr. GROSS. Somewhere along the line they got \$15 million, did they not?

Mr. PASSMAN. The gentleman did want an answer, did he not?

Mr. GROSS. Yes, of course.

Mr. PASSMAN. The gentleman's committee, and I respect him very much, approved this item. They approved the \$50 million. I do not like it as well as the gentleman did, because his committee wrote it up. We are not giving them money. We are putting a limitation this year on it, and we said they will get \$5 million. If the gentleman's committee did not bring this legislation out we would not be in this hassle, would we?

Mr. GROSS. The gentleman well knows I have not voted for a foreign aid bill in the Foreign Affairs Committee since I have been a member of that com-

mittee. My record is consistent. Do not toss the record of that committee at me. I am one of some 36 members on that committee. Let us drop this subject.

Mr. PASSMAN. I thought the gentleman would want to drop it.

Mr. GROSS. We have the gentleman's bill before the House. We do not have a bill out of the Foreign Affairs Committee. I do not oppose foreign aid in one place and vote for it in another. That is what we are dealing with today.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. PASSMAN. Mr. Chairman, I yield the gentleman an additional 3 minutes.

I hope he has some other questions. I know the gentleman feels badly over it and I sympathize with the gentleman over what his committee did.

Mr. GROSS. Mr. Chairman, I feel badly over the fact that this bill appropriates so much money, and because I thought I could rely on the gentleman to cut the gizzard out of it.

Mr. PASSMAN. We got the gizzard and part of the liver.

Mr. GROSS. On the Asian Development Bank the gentleman has said it did not accomplish anything. Is that correct?

Mr. PASSMAN. I said I did not like the way the Asian Development Bank operated. This year we did not give them a dime.

Mr. GROSS. Well, they did not need it because it was overfunded in the first place, was it not?

Mr. PASSMAN. They requested it themselves. We refused to give them a dime. We cut out the entire request.

Mr. GROSS. You gave them \$50 million to start, and then we borrowed the money back.

Mr. PASSMAN. We did not give a dime this year.

Mr. GROSS. I did not say anything about this year. I said that when the Bank was started we put in \$50 million and then borrowed it back and paid 6 percent interest on the money.

Mr. PASSMAN. You are talking about something which happened in past years. They asked for a hundred million this year, and we denied everything.

Mr. GROSS. I am talking about how foolish this Government has been in this foreign giveaway business; how foolish it has been in trying to police and finance the rest of the world.

Mr. PASSMAN. Would the gentleman permit me to make this observation?

Mr. GROSS. Yes.

Mr. PASSMAN. The International Development Association wanted \$640 million. We denied that and gave them \$320 million in the regular appropriation. The Asian Development Bank wanted \$100 million; we did not give them a dime. The Inter-American Development Bank wanted \$836 million; we only gave them half of that. What better record could a committee make?

Mr. GROSS. Do you give Thailand any money this year?

Mr. PASSMAN. We do not earmark funds. You understand the funds are appropriated on an illustrative basis. We never know where it is going until after the fact.

Mr. GROSS. This Government bor-

rowed \$100 million of the money it had given Thailand and on which we are paying interest. That is a 4½ year loan that is scheduled to mature next year, and the money will have to be borrowed to pay it.

Mr. PASSMAN. I do not know actually how much money went to Thailand, because it is on an illustrative basis. Any other question?

Mr. GROSS. Yes, how much are you giving India this year in view of the fact that Mrs. Ghandi, the Prime Minister, has told us that the \$8 to \$10 billion in aid we have given them through the years was a hindrance? Why give a country millions when it slaps us in the face?

Mr. PASSMAN. I am not faulting my dear friend from Iowa; I think he is a very fine gentleman. I do not love these things any more than you do, but I represent the committee. I do not like to lend money.

Mr. GROSS. I thought you put about \$80 million in this bill for India.

Mr. PASSMAN. All aid to India has been suspended.

Mr. GROSS. Do not walk away with that idea.

Mr. PASSMAN. I am staying within seeing distance, eye distance.

Mr. RIEGLE. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes.

Mr. RIEGLE. As I recall, there is a budget amount for Thailand. It is substantially larger this year than it was last year.

Mr. PASSMAN. Circumstances in concluding the war will decide that question and not you or the gentleman from Louisiana (Mr. PASSMAN).

Mr. RIEGLE. If the gentleman from Iowa will yield further, I think there was concern on the part of some of the members of the subcommittee that there were differences between the last Vietnam and the budget figure.

They have asked for and planned for substantially higher than it was last year, which is something we all ought to be concerned about.

Mr. GROSS. The nice part about all this is that we borrowed \$100 million from Thailand on which we are paying interest, and next year we will borrow the money to repay the loan and pay interest on that.

Mr. PASSMAN. I yield an additional 1 minute to the gentleman from Iowa and ask him to yield.

The gentleman is making a substantial contribution to this consideration. I respect him, and he knows I respect him very much.

This is a most difficult program, let me say to the gentleman. We have discussed this many, many times in the past. There has never been a bill prepared in the House which you would not have changed and I would not have changed. It is a matter of compromise. I did not ask for this job; it was given to me, and I am trying to be a reliable Member of Congress. We have certain commitments which we set forth, and I would urge us to live up to them.

I am going to be a responsible Member and I am talking about supporting assistance and military assistance.

Let us look at the record. This war is winding down; from 543,000 troops down to 27,000 troops is a big reduction, and from \$28 billion to \$7 billion is a big reduction.

Mr. HARRINGTON. Mr. Chairman, the \$4 billion Foreign Assistance Appropriations Act we find before us is essentially the same as those which have preceded it. Once again its major emphasis is on military rather than on the economic and technological aid for underdeveloped nations. The program does little, if anything, to improve the daily existence of an average citizen outside the United States. This administration has promised us reforms in the foreign aid program, yet what remains is essentially a bill that could have been written 25 years ago. We continue to give away considerable funds for the wrong purposes—and to the wrong people. A good example of this exists in this legislation. It will enable the Agency for International Development to extend assistance to the African Nation of Uganda.

Recently, Ugandan President Idi Amin expelled some 60,000 Ugandans of Indian descent. Furthermore, Amin has now sent a telegram to United Nations Secretary General Kurt Waldheim justifying the Munich massacre and actually praising Adolf Hitler's extermination of the Jews in World War II. Copies were sent to Israeli Prime Minister Golda Meir and Palestine Liberation Organization leader Yassir Arafat. This telegram constitutes one of the most extraordinarily racist statements in recent history:

It is now 25 years since the Israelis occupied Palestine. Very many thousands of Palestinians have been killed, thousands of them are now slaves of Israel . . . The Israelis are the ones who actually should be condemned (for the Munich massacre) and removed completely from the United Nations and Palestine . . .

. . . when Hitler was Prime Minister and supreme commander, he burnt over six million Jews. This is because Hitler and all the German people knew that the Israelis are not people who are working in the interest of the people of the world and that is why they burnt the Israelis alive with gas in the soil of Germany . . .

Such actions as these cannot be tolerated by decent human beings. If there is to be any chance for peace and harmony in this world, then all men must act to halt President Amin in his tracks. Words alone are insufficient to stop his racist acts. This House should make some meaningful action regarding this situation, but it must consider the safety of those Americans now scattered across Uganda. I strongly urge the administration to take action as soon as possible that will isolate the poisonous effects of this very dangerous situation.

Mr. REUSS. Mr. Chairman, the administration asked for a total of \$837 million this fiscal year for U.S. subscriptions and contributions to the Inter-American Development Bank. The Appropriations Committee, however, has recommended that the administration's amounts be slashed by one-half, to a total of \$418 million. Such a drastic cut is unjustified and unwise. If we have any concern at all for our relations in the

Western Hemisphere, we should act promptly to restore the amounts requested by the administration.

We should recall that the contributions we are talking about today were negotiated with our Latin American partners in the IDB by Secretary of the Treasury David Kennedy in April 1970. Now, 2½ years later, the administration has still not been given the funds to permit the replenishment of the Fund for Special Operations to come into effect, and the Appropriations Committee again proposes to put the United States behind schedule on subscribing to the Bank's ordinary capital.

Latin America has long since done its part of the bargain. The U.S. contributions to IDB have been fully authorized. Our bilateral loan programs for Latin America have been cut to a fraction of their former levels, ostensibly in favor of greater reliance on the IDB. Yet here is the recommendation for cutting IDB by a far deeper percentage than bilateral loans. This does not make sense. It will impair our credibility in Latin America for years to come.

I want to emphasize that the financial situation of the Fund for Special Operations will be extremely critical by the end of this year, when its hard currency resources will be fully committed. Commitments in 1973 will depend very largely on what we do on this appropriation. It is not really relevant what the level of undisbursed past loans is, as the committee report suggests. The fact is that without adequate new resources, the ability to make new loans will be hamstrung.

There simply is no cushion in this program. These cuts will be immediately translated into reduced IDB lending levels. IDB lending levels cannot be summarily cut in half without seriously affecting the economic growth of Latin America.

Useful projects are already in the FSO pipeline. The Bank must have the means to carry them out. This will not be possible unless we restore the amounts deleted in the bill now before us. I strongly urge the House to do just that.

Mr. WALDIE. Mr. Chairman, since 1969 I have consistently voted against Department of Defense appropriations and foreign aid appropriations as my expression of total opposition to the war in Southeast Asia.

That means of opposition to the war was really the only meaningful act available to a Congressman.

I regretted at the time that there was no parliamentary procedure available in which the House could vote on items within the Defense and foreign aid appropriations bills which specifically fund the war.

Because I could not vote on these specific items, I chose to vote against the entire bills.

Mr. Chairman, today I am going to break away from that method of opposition against the war and today I am going to support the bill before us for two very important reasons.

First of all, I think it vital to our Nation's interest that nations such as Israel and Korea are secure. If this foreign assistance bill provides a measure of se-

curity to Israel, then I will support that bill.

I am also vitally interested in granting all possible assistance to Jews in the Soviet Union and to those Soviet Jews who have emigrated to Israel.

Because this foreign assistance bill does provide for this program, I am in support of this bill.

Thus, even though this bill contains funds that are related to the terrible war in Vietnam, I am in support of it.

I want to make it quite clear, Mr. Chairman, that my objection to the policies of this administration in sacrificing American lives and dollars and in the destruction of a culture of long duration is as firm as ever.

This war must end.

Mr. MONAGAN. Mr. Chairman, in 1971 the Congress, through section 481 of the foreign aid bill, authorized the President to furnish assistance to nations fighting drug abuse and to terminate aid to nations which failed to cooperate in combating illicit drug traffic.

I was pleased to introduce section 481 because this two-pronged weapon provides an effective new tool in the war against narcotics, a "carrot and stick" approach which gives the United States new leverage in dealing with other countries in this field. The aid termination section has already proved its value in the extradition case of Latin American narcotics dealer, Auguste Ricord. Though aid was never actually cut off, section 481 provided the crucial pressure in bringing about the extradition of Ricord from Paraguay. It was only when Mr. Nelson Gross, the State Department's senior adviser for international narcotics control, personally communicated the text of section 481 to the Paraguayan Government that Ricord was sent to New York for trial.

I welcomed President Nixon's recent pledge that he would "not hesitate to comply fully and promptly" with section 481. Congress did not pass this provision as an idle threat. Section 481 was designed as a tool to use as aggressively as possible in combating drug abuse, and I endorse the President's promise to actively apply this law.

The appropriations bill before us today will guarantee that effective use is made of the "carrot" of section 481 as well as the "stick." The bill provides \$42,500,000 to be used for advisory assistance on narcotics enforcement techniques, to provide aid to the agricultural sector of any affected country for crop substitution, and to tender limited assistance for treatment and rehabilitation programs.

The largest single designation of funds in this appropriation, as outlined in the proposed fiscal 1973 budget, consists of \$15,000,000 to assist Turkey in eliminating its opium production during the current crop year. Should this crop substitution even partially reduce the supply of heroin presently reaching the streets of the United States, it would have been worth many times over this sum.

The proposed fiscal 1973 budget also designates a total of \$2,193,000 for Laos, Thailand, and Vietnam, a totally inadequate sum in light of narcotics traffic developments in Southeast Asia during

the past year. After Turkey decided to outlaw opium cultivation, and France cracked down on processing laboratories, other regions moved in to fill the vacuum in drug supply. The "Golden Triangle" area in Southeast Asia was one such region, and is potentially the key narcotics supply area of the future. I therefore hope that considerably more of the \$42,500,000 appropriation in this legislation will be applied to Southeast Asia than the current budget proposal.

In the meantime, I urge all Members to support this overall appropriation for international drug control. In section 481, Congress has provided a valuable tool in the war against drug abuse, and it is essential that we now provide the funds to make it work.

Mr. DORN. Mr. Chairman, originally foreign aid was conceived to assist the war-ravaged people of Europe. Now it has simply gotten out of hand. America now has its own national debt approaching \$450 billion, and the Congress has been asked to raise the debt limit to \$465 billion. Twenty-seven years after the close of World War II the time has come for some of our international friends to return what they owe us. I cannot support an appropriation of even \$1 for foreign aid. It has gone on long enough.

Mr. HARRINGTON. Mr. Chairman, once again, this Congress is presented with a foreign aid bill that is substantially no different in shape and content since the beginning of its creation. Clearly, no one has taken the trouble to recast the bill in the realities of today. It is an anachronism sold on the tired phantom of Communist aggression, sold on U.S. business ventures abroad, and on sustaining what was once a well-intentioned attempt toward protecting a threatened Europe.

But in an age where strategic deterrence is an overrated concern, first, for the simple fact that nuclear war essentially means no war and secondly, that deterrence is only good for deterrence sake, we must guard against illusory myths we see staked out abroad. Other questions have taken the place of the once prominent military threat: Questions of economic and environmental resources and the foreign policy implications constrained by both financial and commercial needs as well as ecological mishap.

It is time to take a fresh look at the world, at the real priorities facing us in this decade. We can no longer afford to invest in ideological mythologies as we have seen where they have gotten us: Into an endless and senseless war, into debt over foreign aid that has not only failed to narrow the gap between the rich nations and the poor but the gap between the small, wealthy elites and the impoverished masses.

The major question is what is the United States trying to achieve through foreign aid?

If we are trying to combat communism that is one thing, if we want to develop countries that is another but I would suggest that it is impossible to wage a war on underdevelopment and communism at the same time. The United States must be prepared to assert as a goal, development qua development, inde-

pendent of other foreign policy goals if this country is truly dedicated to that end.

We have learned in the case of Vietnam as in Latin America that transferring money as we did in the Alliance for Progress is like passing water through a sieve and that before any policy is developed the total parameters of the Nation's capacities, heritage, religion, and policies must be understood.

Therefore, the task for formulation of a new foreign aid policy is twofold: To recognize what we are trying to do with foreign aid, and to decide what is the best way to do it in each country which we approach.

Until the U.S. Government in Congress or in the executive branch attempts a policy for foreign assistance which is structured to reflect and hopefully resolve these questions, foreign aid cannot be effective in the world community. However, because of the immediate and urgent needs of the underdeveloped world, this bill should be passed. I rise in support of H.R. 16705 and hope that this year in our capacities as lawmakers for the United States we can formulate a true policy of reform for the future.

Mr. BROTZMAN. Mr. Chairman, I rise to express my approval of the amendment of the gentleman from Ohio (Mr. VANIK).

The latest efforts of the Soviet Union to extract a ransom from Jews who wish to emigrate is shocking to people of conscience throughout the world. One way in which the people of the United States can demonstrate their revulsion toward this Soviet policy is by financially assisting Israel in resettling those who do manage to escape the Soviet Union. We in Congress can manifest our concern by supporting this amendment.

The persecution of Jews by Soviet authorities is well known despite the efforts of the Soviet Government to suppress the free flow of information. Long denied the basic human rights enunciated in the United Nations Universal Declaration of Human Rights, Soviet Jews, for the most part, find that they are even denied the prerogative of leaving the country. For the few who are lucky enough to win permission to leave the Soviet Union, it now develops that they must pay a ransom based on their level of education.

I believe, Mr. Chairman, that it is imperative for the U.S. Congress to show its support for Soviet Jews by supporting this amendment.

Mr. EDWARDS of California. Mr. Chairman, in the past I have consistently voted against the foreign assistance authorization bill. The military appropriations provisions contained in this bill have perpetuated and will continue to perpetuate the Vietnam war, not only in Vietnam itself but through other Southeast Asian countries. In addition, this bill provides fuel for the fires of hot and cold wars throughout the world, jeopardizing our national security and endangering world peace.

Today, however, I intend to vote for the Foreign Assistance Act. Despite its numerous detrimental provisions, this bill contains extremely important authorizations for aid to Israel. In view of the recent tragedy at Munich and the un-

relenting tension in the Middle East, I find the necessity for aid to Israel a compelling reason to support this legislation this year. With this in mind, I urge support for Congressman Dow's amendment requiring the funds earmarked for Israel actually be spent for Israel.

Additionally, I want to urge my distinguished colleagues to support Congressman VANIK's amendment to the Foreign Assistance Act prohibiting loans and guarantees to any nation that imposes exorbitant emigration taxes on all those seeking to leave that country. Foreign assistance is not a simple issue involving only political and economic considerations. Again, a member of the world community has singled out a minority group for special harassment. The exit fees callously imposed by the Soviet Union on all Jews desiring to leave the U.S.S.R. are a flagrant violation of moral and ethical standards and an affront to principles of individual liberty. Recognizing the special value of Jews and turning them into cash export is a ruthlessly exploitative action on the part of the Soviet Government that cannot be allowed to go unchallenged. Other minority groups may soon follow Jews as hostages for blackmail if this precedent is not overturned. The rights of thousands are jeopardized if this "protective economic action" is accepted by the international community.

How is it possible to grant "most-favored-nation" trade status to a government that treats its citizens like chattels, suitable in exchange for cash payments in foreign currency to bolster its trade deficit? How can we continue to sell huge quantities of wheat to a nation that levies upon its citizens taxes so excessive that it renders them destitute? Congressman VANIK's amendment places at our disposal the means to bring pressure to bear on the Soviet Union to rescind these emigration fees. The passage of this amendment will not only formally register our protest of such "taxation" but will underline our opposition with economic sanctions that have implications Russia cannot ignore. Surely the principles of freedom and justice on which our Nation was founded demand that our dealings with the Soviet Union be ruled not only the economic considerations of trade and foreign assistance, but also by the humanitarian ideals of democratic governments.

Mr. PREYER of North Carolina. Mr. Chairman, step by step, with no chief villain, no one administration to bear all the blame, we were drawn into the Vietnam war. Almost all now agree our intervention in Vietnam was a mistake. Yet we remain caught up in this tragic, apparently endless war, seemingly impotent to carry out our national policy, as expressed by the President, of ending all military activities as soon as practicable.

The war has already cost more than 1 million lives—some 46,000 of them Americans; the rest, persons equally human and no less the children of God.

Between January and June of this year, the tonnage of American bombs dropped on Laos, Cambodia, North and South Vietnam increased 100 percent,

from 56,000 tons to 112,000 tons—massive destruction to preserve a remote government in Saigon.

The increased bombing and the mining of Haiphong Harbor could be justified—and was successful—in protecting the withdrawal of our men from Vietnam. But how far are we morally justified in going on and pouring death and destruction from the air and the sea to win a war that is not essentially ours?

Let us, as President Goheen of Princeton University says "be honest and courageous enough to recognize that we have gone astray and need now to point ourselves back once more to the great humanitarian ideals of our Judeo-Christian heritage."

Let us recognize the futility of trying to save face by persisting in a mistaken war to cover up the mistakes that led us into this tragedy. America now needs not to save face "but to let that face show the deep lines of hard lessons learned and of human compassion."

We must end this war. In trying to save face in Vietnam we may lose our souls here in America.

If the war cannot be ended in any other way, Congress must assert its authority to force the withdrawal and disengagement. I shall support the Ad-dabbo amendment which establishes as a national policy the termination of all U.S. military operations in Indochina and the withdrawal of all U.S. military forces within 4 months, subject to the release of all American prisoners of war and a full accounting for those Americans missing in action. Four months is a fair compromise between any date and no date at all. Let us hope that the administration can act faster than this to end the fighting.

Mr. ROYBAL. Mr. Chairman, I rise to cast a reluctant vote in favor of the Foreign Assistance Act, H.R. 16705.

There is much in this bill that troubles me. I believe that the entire concept of military assistance is misplaced in a world that is troubled by the constant threat of warfare. This country cannot expect to speak on behalf of the forces of justice and peace in the world if it continues to supply countries with the implements of destruction.

Yet after much contemplation, I have decided to cast an aye for this bill, because it provides funding for three programs which have already proven themselves beneficial in helping to spread the ideas of friendship and peace throughout the world.

The appropriation for the Peace Corps has been raised by \$8.5 million over last year's to \$81 million for the coming fiscal year. The Peace Corps volunteers are some of America's most articulate and well received ambassadors of good will overseas. They not only build roads and educate people, but through the closeness of person to person contact they help to show the people of the world the sensitive and good traits of our American society while at the same time clearing up some of the myths and misconceptions which people in other countries generally have about us.

Second, the bill provides for \$165 million for the Alliance for Progress pro-

grams. This program helps build the facilities of essential social services such as roads, schools, and hospitals in South America. In the past, these programs have contributed a great deal to the growth and improvement of the life of the inhabitants of our neighbors to the South. The repayment record of the various countries that have utilized funds from this program has been exemplary. It is expected that in this year alone more than \$77 million with interest in prior loans will be repaid.

Lastly, this bill contains money for a wide range of international development programs. These programs are used to fund programs which are directly beneficial to the people. Many of these are funded through international agencies such as the United Nations. Such projects enhance the prospects of peace while at the same time improving the living conditions in less-developed nations.

Mr. Chairman, it is the humanitarian aspects of this bill that I find appealing and that is the reason for my "aye."

Mr. KEATING. Mr. Chairman, in the decade of the 1970's as the United States seeks an environment of peace which will encourage all nations, large and small, to defend their own actions and determine their own futures, the passage of the Foreign Assistance Appropriations Act is both relevant and important.

H.R. 16705 moves toward the reduction of the U.S. military involvement abroad at the same time we increase military assistance to our allies, which furnishes them with the flexibility necessary for self-determination. I support this policy.

In particular, I commend the \$42.5 million appropriation for International Narcotics Control. The complexities of the drug problem can only be effectively solved by international cooperation and ultimately by an effective international enforcement agency. I view international concern for drug abuse to be so essential to its ultimate correction that I am in favor of cutting off aid to any country which is not cooperative in the control of the illegal drug traffic.

I support with equal enthusiasm the denial of funds to provide loans, credits, financial and investment assistance, or insurance guarantees on sales to or investments in any nation which requires payment in excess of \$50 for exit visas, exit permits, or the right to emigrate. Ugly racist actions on the part of any nation must be condemned and the victims of such action must be, whenever possible, aided in the most appropriate way.

At this point in the Middle East conflict both the Israeli and Arab Governments deserve our support against the guerrilla terrorism within their borders. For this reason I support the amendments that allocated \$50 million for security supporting assistance for Israel and \$300 million for foreign military credit sales to Israel.

The military assistance programs, at this time in the evolution of man's history, contribute to the common good, but I advocate with creative interest the medical, educational and economic development provisions of this year's foreign aid bill. "Foreign aid" is, perhaps, a mis-

nomer because the U.S. moneys and equipment made available to foreign nations ultimately aid and strengthen our own backyards.

Mr. SHRIVER. Mr. Chairman, I have no further requests for time.

Mr. PASSMAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Alliance for Progress, development loans: For necessary expenses to carry out the provisions of section 251 with respect to Alliance for Progress, development loans, \$165,000,000, together with such amounts as are provided for under section 203, all such amounts to remain available until expended.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 4, line 8, after the word "loans," strike out "\$165,000,000" and insert in lieu thereof "\$150,000,000."

Mr. BOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 378]

Abourezk	Dulski	Moss
Anderson, Tenn.	Dwyer	Murphy, Ill.
Annunzio	Eckhardt	Murphy, N.Y.
Ashbrook	Edmondson	O'Hara
Badillo	Edwards, Calif.	Patman
Baker	Esch	Patten
Baring	Evins, Tenn.	Pepper
Bell	Flowers	Peyser
Betts	Flynt	Pirnie
Bevill	Gallagher	Powell
Blackburn	Goldwater	Railsback
Blanton	Gray	Rangel
Boggs	Griffiths	Reid
Brotzman	Hansen, Idaho	Rooney, N.Y.
Broyhill, N.C.	Hays	Saylor
Buchanan	Hébert	Scheuer
Byrnes, Wis.	Heckler, Mass.	Schmitz
Carey, N.Y.	Jacobs	Schneebell
Carter	Jonas	Scott
Celler	Keith	Selberling
Clark	Kuykendall	Skubitz
Clawson, Del.	Link	Springer
Clay	McClory	Staggers
Curlin	McCormack	Steiger, Ariz.
Davis, S.C.	McDade	Stuckey
Davis, Wis.	McDonald	Thompson, Ga.
Delaney	Mich.	Thompson, N.J.
Dellenback	McKevitt	Tieman
Derwinski	McMillan	Veysey
Devine	Macdonald	Waldie
Dowdy	Mass.	Ware
Drinan	Minshall	Wilson
	Moorhead	Charles H.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H.R. 16705, and finding itself without a quorum, he had directed the roll to be called, when 335 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. LONG of Maryland. Mr. Chairman, I ask unanimous consent that I may have my amendment reread.

The CHAIRMAN. Without objection, the amendment will be reread.

There was no objection.

The Clerk reread the amendment.

Mr. LONG of Maryland. Mr. Chairman, this is a very small cut of \$15 million from \$165 million to \$150 million in the Alliance for Progress development loan program.

As I indicated before, I intend to offer a number of amendments which add up to nearly a billion dollars to cut the program back to what it was last year. That is what this Alliance for Progress development loan cut would do.

I have been all over much of Latin America, and probably some of you have been also. I have never been any place in Latin America where I did not hear the same judgment, that the Alliance for Progress has been pretty much of a total failure. Where there is any progress at all, the progress has gone to a few people in the top few percent of the population, as in Brazil. This is a waste of the American taxpayers' money.

These loans are very soft loans. For example, three-quarters of 1 percent during the 10-year grace period and 2 percent during the remaining 30 years in the case of the Peruvian highway loan. Would you not like to be able to borrow money like that? Three-quarters of 1 percent for the first 10 years and 2 percent for the remaining 40 years.

Let me give you an example of the Peruvian highway project. I was down there a few years ago and talked to the President of Peru who was subsequently forced out of power. He was very proud of the highway they were going to build. We put a great many millions of dollars in that, \$35.1 million financed largely by AID, although not entirely, because the Peruvian share was \$12 million.

This went on for several years, and the GAO study of the project found the following:

The 139-mile project was far behind schedule. No work had been done on a 57-mile stretch. Both U.S. contractors had stopped work on the highway and both are being sued by the Peruvian Government on charges of poor workmanship, collusion and fraud.

If the highway had ever been completed, it would not have been any good anyway, because it was being built in an unpopulated part of the country. I never found anybody who felt that it would ever accomplish anything economically for the country.

Nobody would ever do this with his own money—only when he could borrow money for practically nothing.

I do not think I need to say much more about this. All I am asking you to do is to cut the program back to last year, because this bill has a billion dollars more than last year for all the programs.

I am offering amendment after amendment, the total sum of which will cut the program back to last year. This will cut the Alliance for Progress development loan program back to 1972 levels, which incidentally for all programs was higher by 250 percent than in 1969 when this administration came into being. This AID program has been inflated beyond reason. This amendment is just a small start on cutting it back to some kind of reasonable level.

Last year was a big year for the pro-

gram. Let us cut it back to last year's level.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if Members will turn to page 18 of the committee report they will find that the budget request for Alliance for Progress development loans, fiscal year 1973, was \$206.5 million.

Your committee examined this item well, and we recommended only \$165 million. We cut it about 20 percent.

Members would be surprised to know the calls we have had opposing this cut.

This item, to my way of thinking, should have been cut, and the committee supported me. The gentleman who just spoke supported me in the subcommittee. He did not offer the amendment then. Had he offered it then we could have given thought to it. Now he catches me by surprise and offers the amendment to reduce this program. If there is one program which has been any good, it is this one.

Mr. LONG of Maryland. Will the gentleman accept the amendment at this time?

Mr. PASSMAN. I do not yield to the gentleman.

Mr. Chairman, 88 percent of all of the development loan fund is spent for U.S. commodities.

This is a loan. This is not a grant.

Let us look at the repayment record. We are recommending \$165 million in loans to Latin America in fiscal year 1973. Latin America will pay back to us \$77 million in cash on prior loans. They cannot absorb this and carry on the present commitments.

The commitments have been made. They have an excellent repayment record.

I should like to repeat, if I may, that 88 percent of this goes for U.S. commodities, where the producer makes a profit and pays taxes into the U.S. Treasury.

They will pay back this year in cash to the U.S. Treasury \$77 million, which is just about 50 percent of the loans we are proposing to make to them.

I certainly hope the Members will accept these statistics as factual. They are factual.

I certainly hope the Members will consider the amendment on its merits and vote it down overwhelmingly.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Maryland, a member of the committee.

Mr. LONG of Maryland. Does the gentleman dispute that these loans are made at very low interest rates, as low as three-fourths of 1 percent during the initial 10-year period?

Mr. PASSMAN. Of course, the loans are long term and most of them are at a concessionary interest rate.

That is a good question, but it also follows that they do pay them back and they do pay interest, also.

Let me say to the gentleman that I certainly will readily admit the concessionary interest rate, but the interest also is repaid in dollars.

I repeat, if I may, they will pay into the U.S. Treasury this year in cash on

prior loans almost 50 percent of what we propose to loan to them this year.

I hope the amendment will be voted down.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa for a question.

Mr. GROSS. How much money has the Alliance for Progress—if the gentleman has the figures—put into Chile in the past?

Mr. PASSMAN. I do not have that at my fingertips. I would assume that they made the same mistake we made, and the same mistake that other nations made, and made them a loan.

I used to be in business. I made bad loans, but that did not prompt me to cut off all of the good loans because I made a bad loan occasionally.

I hope this amendment will be voted down.

Mr. GROSS. Will the gentleman not agree that in his case he was dealing with his own money and in this case we are dealing with the public's money?

Mr. PASSMAN. That is exactly why I want to state categorically that this is a loan program; 88 percent of it will be spent for U.S. commodities, and they will pay back to the U.S. Treasury this year \$77 million on prior loans.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Maryland for a question.

Mr. LONG of Maryland. I appreciate what the gentleman has said, but the point is that we are loaning this money for practically nothing.

The gentleman says that they are going to buy American goods. Would it not be nice if the gentleman's constituents could get loans like this, at three-fourths of 1 percent?

Mr. PASSMAN. They do not get loans at three-fourths of 1 percent, and the gentleman knows that.

Mr. LONG of Maryland. And for 10 years, with a stipulation of low interest for another 30 years?

Mr. PASSMAN. I do not want to embarrass the gentleman by making a record of the "fusses" we have had. The gentleman wants all of this to go to one specific nation, and for that nation he does not care what concessions are made, so long as he has his way. That is why I quarrel with him. He is not consistent in what he recommends.

I hope the amendment will be voted down.

Mr. SHRIVER. Mr. Chairman, I rise in opposition to the amendment.

The committee has greatly reduced the request for the Alliance for Progress development loans, a reduction of \$41.5 million from the request. The amount that was asked was \$206.5 million; the amount recommended in the bill is \$165 million. So there has been a substantial reduction made by the committee.

This program, development loans under the Alliance for Progress, was started under President Kennedy. It has proven to be successful from the standpoint of bettering our relations with our friends in Central and South America.

We reduced the amount for the multi-

lateral agency, the InterAmerican Bank, by more than \$400 million in this bill. So I think we have made substantial reductions, and another reduction should not be requested at this time.

It has always occurred to me that it is in this hemisphere where we should be concerned with the underdeveloped countries of Central and South America.

For that reason I think it is an unwise move to further reduce this program.

I might add further that the development loans finance a wide range of commodities and related designated facilities that are used for such facilities as schools, clinics, and irrigation works, and these loans also finance the import of products, such as rubber products, industrial and electrical machinery, raw materials, and spare parts for industrial and commercial development.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I will yield to the gentleman from Arizona.

Mr. RHODES. I thank the gentleman for yielding.

Is it not the situation that the \$165 million for Alliance for Progress is greatly reduced from the levels of expenditures in previous years?

It seems to me when I was on this very distinguished subcommittee that the amounts for the Alliance for Progress were as high as \$600 or \$700 million.

Mr. SHRIVER. Indeed, that is true, and I believe that further reductions at this time would hurt our relations with our friends to the south.

Mr. RHODES. Mr. Chairman, would the gentleman yield further?

Mr. SHRIVER. I yield to the gentleman from Arizona.

Mr. RHODES. Certainly there can be no doubt in anyone's mind as to the importance of Latin America to the United States and the need for low-interest loans in this part of the world. There are facilities which are needed by the nations which are developing in Latin America, nations which are to a great extent friendly to the United States and always have been.

This in fact is the greatest reservoir of possible good will which this country has in the world today, and I think it would certainly not be wise if we were to adopt the amendment of the gentleman from Maryland.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to my chairman, the gentleman from Louisiana.

Mr. PASSMAN. Of course, Mr. Chairman, we have made drastic reductions in this program. We have worked it down from a \$425 million annual level years ago to our recommendation today of \$165 million. We have reduced it substantially, notwithstanding a very excellent repayment record.

I think it would be wrong to try to reduce this item any further.

Mr. MONAGAN. Mr. Chairman, would the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from Connecticut.

Mr. MONAGAN. I want to say to the gentleman I support his position. I think it would be a very unfortunate time

for us to make any abnormal reductions in this program.

As the gentleman from Louisiana has said, there have been substantial cuts over the years, and this is not the time to practically eliminate these programs.

I might say, too, that many of these countries have been helpful and cooperative with us in regard to the important questions in the United Nations. Eighteen of these countries have voted with the United States, and I think things like this are worthy of consideration.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I think several points have been made here that require amplification.

The fact is that under this program they are borrowing at three-quarters of 1 percent, with a 10-year grace period, a period in which they do not have to pay anything back at all.

We do not allow this to our own people. Remember I am not trying to get this cut out, but I am just trying to get it cut back to where it was last year. I do not see any point, when we have a tremendous deficit this year in this country, why we ought to be increasing it. We know that they are buying American goods, but if you lend this money to Americans, they will buy American goods, too, will they not?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. SHRIVER was allowed to proceed for 1 additional minute.)

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the chairman.

Mr. PASSMAN. There is no three-quarters of 1 percent interest rate on loans in this bill to Latin America. If the distinguished gentleman would just take time out for the next hour and read this report, he will not embarrass himself like that. The lowest rate that we presently have is 2 or 3 percent. There is no such thing as a three-quarters of 1 percent rate to Latin America now.

Mr. SHRIVER. I will remind the gentleman that we did make a substantial reduction of over \$400 million to the Inter-American Development Bank, which does the same thing in the field of development loans.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I probably will not take the 5 minutes allotted to me on this difficult subject matter, because I believe all of the arguments have been made and all of the reasons have been given as to why this amendment should be defeated.

I think that in recapitulation I should point out that the repayment record of the Alliance for Progress is excellent. This year alone \$76 million have been repaid. This is not at three-fourths of 1 percent interest but, rather, at 2 to 3 percent.

I would also like to point out that I, too, have visited Latin America and have seen some of these programs in action. In fact, I have been wanting to get my good friend Mr. Gross to go there with

me so that he could see for himself some of the good things that the Alliance for Progress is doing.

I admit to the fact that there have been some failures, but when you look at the overall picture there have been more successes in Latin America with the Alliance for Progress than there have been failures.

Mr. Chairman, I have seen schools built out in the mountains of Peru and in other countries in South and Central America. I have seen clinics built and health facilities provided where they were actually needed to fight disease, provide much needed prenatal and postnatal care, and help prolong life. Irrigation works and roads being built by moneys that were made available by this Government are helping these underdeveloped nations grow their food and send it to market. I have seen in those same countries American-made goods and, yes, I think it is important to point out, also, that they use American fertilizer and farm equipment and drugs manufactured in the United States. That they use iron and steel which is produced in the United States, as well as industrial and electrical machinery that is taken from the United States and used in many of the underdeveloped countries of Latin America. All of this is gradually helping the growth of those nations and bringing up their gross national product. In the very near future they will be increasing more and more their potential to survive and become self-sufficient.

I think you gentlemen will remember that Paul G. Hoffman once said that if Latin America were to develop by just 1½ to 2 percent a year, that the American businessman would be so busy manufacturing the implements of peace, such as tractors and plows and whatever is needed for the development of the countries south of the border, that he would have no interest in manufacturing the implements of war and destruction.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. The three-quarters of 1 percent figure for the first 10 years comes from the General Accounting Office, I might say. It is 2 percent after that. Even if it is 2 percent, certainly I think it is a giveaway loan.

You are talking about how much they repay. Certainly all of these countries will repay as long as we keep on lending them more than they are repaying in any one year. It is a wonderful business deal, is it not? Sure. We keep on lending them twice and three times as much as they are paying back, and they will give it back as long as we keep those loans coming, but once they stop coming you try to get your money back.

Mr. ROYBAL. What surprises me about the gentleman's position is that he has favored this bill in the past. Not only did he favor it in the committee this year but he supported substantial grants to countries. These grants are just gifts, and, of course, bear no interest and are not paid back. Now, the gentleman is making the argument that the interest rates are too low. I really cannot under-

stand the position the gentleman is taking.

Mr. LONG of Maryland. My position is not that we eliminate the program, but we must not increase it here when we have the biggest national debt in history that we have ever had. Is that unconscionable?

Mr. ROYBAL. But the gentleman's argument does not coincide—

Mr. LONG of Maryland. Let us stay where we were in 1972, which is bigger than the year before.

Mr. ROYBAL. The gentleman's argument does not coincide with his action.

Mr. Chairman, I will yield no further to the gentleman from Maryland.

I would like to add, Mr. Chairman, that a visit to the underdeveloped nations of Latin America would enlighten the Members of the House. You would be as I was particularly interested in roads that were being built where the campesinos in these countries used their trucks to take their product to the market, whereas prior to that time they had to use their burros to get through the mountains. These products were grown with American know-how and American equipment and under present conditions they are able to grow more, get a higher yield per acre, take their product to market, and sell their product quicker. The development of the underdeveloped countries of Latin America must continue and the only way it can is to see to it that the Alliance for Progress is made available to them.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to say two things to my friend, the gentleman from California (Mr. ROYBAL). The first is that if we keep up what we are doing with these foreign giveaway programs, and some other wild-eyed spending measures, we will eventually make it to the poorhouse and it might be on a burro.

Second, if the gentleman will assure me that if I accompany him on the trip to Latin America that I can get hold of a wad of that 2 percent money I will be glad to go. Just let me get hold of enough of that 2-percent money, and I will be perfectly satisfied, because I think I can relend it as some of these foreign countries do, right back to the U.S. Government at a much higher rate of interest.

I can remember a time when we made a \$40 million handout to Argentina, and they turned around and bought \$40 million worth of our gold.

So if the gentleman will just assure me that I can get hold of some of that 2-percent money I will be glad to accompany him to Latin America.

Nobody seems to want to talk about Chile, and I wonder why. Maybe it is because they have stolen five of our copper mines and a telephone company down there to the value of several hundred millions of dollars. And the Chileans have gotten into the U.S. till for about \$400 million in low-interest loans. When do you think they will ever repay that \$400 million for the copper mines and the telephone company they have stolen?

But I arose to speak to another sub-

ject. I would like to say a few words about this program as a whole, and I would like to quote the gentleman from Louisiana (Mr. PASSMAN), when he was addressing representatives of the Alliance for Progress who appeared before his committee.

We just wanted to see how fast and how far we could go with this aid program. Consequently, we have gone a long way toward destroying our world markets, diminishing our gold reserve, building up a tremendous balance-of-payments deficit, and finally, acquiring the first trade deficit in 1971 since 1888.

Continuing, the gentleman from Louisiana (Mr. PASSMAN) said to the witness for the Alliance for Progress:

You people have become addicted to giving away our wealth, and you have made these same justifications so often for so long that actually you have gotten to where you believe them yourselves. I know the money you people are giving away is absolutely not justified. But we have reached the point where giving away our resources to acquire friends is the order of the day.

And so on and so forth.

Mr. Chairman, I commend the gentleman for his statement and condemnation of the foreign giveaway program.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman.

Mr. PASSMAN. I commend the gentleman from Iowa for his wonderful memory—he is quoting from something recorded a while ago.

Mr. GROSS. I refer you to page 1,053 of your hearings on May 17 of this year.

Mr. PASSMAN. You are addressing yourself to the overall aid and not just this loan program.

Mr. GROSS. I am talking of what your attitude has been toward foreign aid.

Mr. PASSMAN. Oh, well, that is different.

Mr. GROSS. But you are here today trying to sell us this program.

Mr. GONZALEZ. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I want to make it perfectly clear that I do not intend to take the full 5 minutes. I think the distinguished chairman of the subcommittee has answered the main points involved in the consideration of this amendment proposed by the gentleman from Maryland. I think his associate on the subcommittee, the gentleman from California, supplemented him, and other members, including the distinguished minority ranking members have answered also.

But I would like to say this, which I think is the main thing that we ought to consider. First, that some misstatements of fact have been expressed. The chairman has pointed out, and correctly, that there is no such thing as three-quarters of 1-percent interest charges.

Second, the records are undeniable so far as the loan records and repayment records of the countries involved in this particular program are concerned. They are the best. These countries have performed exactly along the lines that this

Congress wishes the recipient of the funds to operate.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman.

Mr. PASSMAN. Mr. Chairman, I want to thank the distinguished gentleman for yielding. But to get back to the amendment.

The development loan funds for Latin America started at \$425 million annually. We have gradually reduced it each year until the administration this year only requested \$206,500,000.

But in spite of the fact that the House of Representatives voted \$206,500,000, this committee further reduced it to \$165,000,000.

Now there will be a repayment of \$77,000,000.

If this amendment is adopted, it would just about destroy the program.

Mr. GONZALEZ. I thank the distinguished gentleman.

I find it odd. I think this subcommittee has an undisputed record of being accused of being niggardly up to being overly generous.

I think its history has shown that since it has been on the receiving end of criticism that it has toned down all the requests both administrations ever made—as well as those by Members of Congress on both sides of the Capitol.

So I think the record here is clear. If the committee has reached the point of recommending this, let me assure you it must be minimally and basically required. I urge my colleagues to vote against this amendment because it would go a long way in knocking out a basic program that this country has sponsored over a period of years and which is to the national interest to continue and sustain.

I endorse and applaud the action of the committee for approving the full request of \$320 million for the International Development Association. At the same time, I am disturbed and distressed by the committee's recommendation for no funds at all for the Asian Development Bank and only half the request for the Inter-American Development Bank.

In the case of the Inter-American Development Bank, the request for a capital contribution amounts to the purchase of shares in the Bank; I believe that we should support the full request, if for no other reason than that a full subscription would help assure that our voting strength on the Bank board remains as it is at present. Further, I believe that we should support the full request for callable capital for the Inter-American Development Bank—a request which does not represent any real expenditure, but only a guarantee against bonds that the Bank issues. It is most unlikely that we would ever be called upon to pay a cent out of this request, for the IDB has an enormously successful record as a lending institution and there is no question whatever about its ability to honor the bonds that it issues.

I believe that the committee should also have acted favorably upon the full \$450 million request for the fund for special operations, which is the soft loan window of the Inter-American Development Bank. This fund has provided the

most important source of soft loan capital for Latin American countries, and they have used the money wisely and well. I am persuaded that our contribution to this fund represents the most effective and efficient possible way to support the development needs of Latin America.

There are those who would argue that the Inter-American Development Bank suffers from bad management. But I would point out to such critics that the Bank has made \$5 billion in loans, and that it has made bad loans amounting to just \$12 million, and all of those are secured by mortgages. I know of no commercial bank in the world that can equal that record for good loans. In light of this, how can it be seriously said that the Inter-American Development Bank is badly managed, or that it is unconcerned about the confidence of its investors?

There are those who say that the Inter-American Development Bank has on hand too many undisbursed loans. But the truth is that the Bank would be foolish to advance the entire amount of funds committed on long term projects—prudent management requires that advances be made only as they are needed and required—and that is exactly the practice of the Bank.

There are those who say that we should exercise more control over the Inter-American Development Bank. But my friends, the United States controls effectively every dime in the fund for special operations, by virtue of our voting strength in the Bank. If we do not trust our own representatives to exercise their responsibilities toward their own Government and the Bank, I suppose that we might question the wisdom of this investment. But if we lack that trust, then why are we appropriating any money at all for foreign operations? I believe that our voting strength alone is adequate protection for our interest in this bank.

Now there are those who question the internal management and administration of the Inter-American Development Bank. But what they do not know is that the president of the IDB, Antonio Ortiz Mena, is a distinguished financier in his own right. He has been in the Bank only a few months, and he has already made a number of impressive and important management changes in the Bank.

One measure of his success is the fact that the administrative budget of the IDB this year is almost the same as it was a year ago—and I do not think there are many places that can say that. And this successful holding down of expenses is not brought about by any sacrifice in the volume or quality of the work done by IDB—for by any measure of quality and productivity, the Bank has improved dramatically in the past 12 months.

The Bank deserves our support and confidence. It has won the support of Canada, which has joined the Bank and paid in \$270 million. I do not think they would have made that investment if the Bank were shaky or badly managed, or if it did not warrant the confidence of the Government or our neighbor to the north.

We have every proof, every measure,

every indicator, that the Inter-American Development Bank is effective, responsive, and responsible. I believe we should support the full request for it.

The only reason the full request will not be made, if it is not granted today, will be that the administration has not supported it. The Treasury Department knows all that I have recited. They have said that they want the full appropriation, but they are unwilling to fight for it.

The Treasury tells us on the one hand that they want the money, but on the other they do not want to call out the troops to get it—they do not want to insist that the minority side support their own program; they do not want to challenge gratuitous actions and erroneous statements; they do not want to risk votes. That is a shame and a disgrace, because I believe in these international institutions, and I believe they deserve our full support. If there is any failure here, it is not of the Inter-American Development Bank, but a failure of heart and nerve by the administration, which neither understands the importance of the developing countries to the south, nor has a clear sense of the priorities all developing nations should have on our agenda.

We need these institutions—they have brought us great benefits, and they have brought great benefit to the developing countries of the world. They have a great record of productivity, efficiency, effectiveness, honesty, and integrity—and they have earned every dime we have out into them. It is a shame that the administration does not have the heart to fight for these institutions; and we might as well let our friends know, the only reason that any reduction would have to be made in their request is that the Treasury wants to make quiet deals that cannot be delivered—and if they cannot make blackroom deals, do not want to confront the issues. It is a shame and a disgrace.

Finally, let me speak to the general provisions that would require a project by project approval of loans made through financial institutions, and project by project audit by the Comptroller General. These projects involve more than our own money; we have no right to audit money that is not our own. The organizations themselves conduct the most exhaustive kind of justifications and audits, and I have never heard anyone claim that these were inadequate. I think that we should be able to trust our representatives to see that the projects are justified and well operated. And I challenge anybody to tell me that they have not been diligent, nor the institutions diligent—for who can match their record of good loans? Enactment of these special provisions—sections 504 and 505—would simply be an end to our ability to participate in them.

I once again applaud the committee for its support of the International Development Association. I regret that its actions with the special provisions, and with respect to the Asian Development Bank and Inter-American Development Bank were not so favorable—for I feel these institutions have all earned our respect and confidence, and we have no

reason to withhold our support of the full budget request, nor to impose any special conditions.

Mr. RIEGLE. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to this particular amendment, although I may support other amendments the gentleman from Maryland may offer later. I rise primarily to take account of the statement just made by the gentleman from Texas that if the gentleman from Iowa and someone else would perhaps travel to other countries, it would be a good way to dispose of administrations in other lands that we do not particularly care for. I know he said that tongue-in-cheek, but I think it is important that he not leave a misimpression here that this was the intent of the foreign aid program or American foreign policy.

I think too often we tend to think that who rules another country is our business more than it is the business of the people who live in that country. I do not think that that is the view of the gentleman from Texas. I know it is not my view, and I want to make sure it is clear on the RECORD at this point.

Mr. SEIBERLING. Mr. Chairman, I rise in opposition to the amendment. I just want to make some brief remarks that I think pertain to what the gentleman from Texas said.

A year ago the House Judiciary Subcommittee on Immigration and Nationality had hearings in El Paso and Los Angeles on the problem of illegal immigration. Of course, the House just a few days ago passed our bill to put some curbs on illegal immigration into the United States, but there is one thing that I think we have to recognize: The problem of illegal immigration is a serious one in large part because of the miserable economic conditions south of the border. It is in our own interest to help these people get on their feet so they can get jobs in their own countries, instead of having to come across our borders secretly and violate our laws in order to find enough to keep body and soul together. The United States does not exist in a vacuum, or behind a maginot line, and to imply that we have no interest in helping other countries of the world, particularly our neighbors to the south, would be unrealistic and irresponsible.

In an election year, it is the easiest thing on earth to talk about how terrible it is to lend or give money to foreign countries. The really responsible thing to do is to try to point out to the people of our country that that is one way we can help keep the peace in the world, and, I might add, to create conditions abroad so that those people can buy our products. Our best customers are the developed countries. Does not that tell us something about what we ought to be doing to help the economic development of our neighbors to the south?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The question was taken; and the Chairman announced that the yeas appeared to have it.

Mr. LONG of Maryland. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. HANNA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the full funding of the appropriations for the U.S. subscription to the Inter-American Development Bank. As a member of the Committee on Banking and Currency, I have had considerable opportunity to review and examine the operations of this institution. It was only after the most mature and thoughtful consideration that our committee recommended to this body authorization legislation which would give adequate funding to permit the U.S. participation in an increase of resources for the Bank. The proposal submitted by the Banking and Currency Committee was overwhelming accepted by the House and by the Congress. Today, we are considering the appropriations to fulfill what the Congress has already authorized. The Committee on Appropriations has recommended one-half of what the Congress had previously authorized and it might be useful to examine critically why the Committee on Appropriations came to a different conclusion.

I wish to address myself to one aspect of the reasoning which I have heard expounded again and again on the floor with respect to the funding for this and similar institutions. Much has been said and much has been made over the amount of resources which the institution has available to disburse. So-called money in "the pipeline." We are told no further appropriations or very limited additional appropriations are necessary, since the Bank has plenty of money to meet its disbursement needs over the years. We are asked to believe that the Bank is sitting on large hoards of money and that further appropriations will only add to the stockpile.

Nothing can be further from the truth. What is requested here is absolutely essential for the Bank to have the authority to make commitments to continue economic and social development of Latin America.

Let me explain: When a builder goes to a savings and loan association in the United States and requests a construction loan, does the savings and loan association, when approving the loan, give him the total amount in cash? No; of course, not. What he receives is a line of credit against which he will draw during the period of construction. This is normal procedure.

Does the savings and loan association, when it has made the commitment to the builder for the resources, have the right to commit the same resources to another builder? Of course not. Once the commitment has been made it goes against the books of the savings and loan association as a commitment and reduces the capacity to make further commitments until payment has been executed.

The Bank's situation is not much different than that of the savings and loan association. It makes loans for projects including education, water, sewage, industry, agriculture, covering the whole gamut of lending for economic and social programs. Does the borrower receive in

cash the amount of the loan when its board of executive directors authorizes the loan and the contract is signed? Of course not. On the contrary, because it is a development institution, the Bank carefully studies not only the project, but the execution of the project, and disbursement of the committed funds takes place only against proof that the borrower has spent his own resources for the project and the total counterpart that the borrower must obtain has been disbursed *pari-passu*.

The loans of the Bank are complicated loans for they require changes in tariffs and they require basic institutional changes. The very complexity of lending frequently requires disbursement periods as long as 3 to 5 years. The Bank is very careful with funds entrusted to it. There are many safeguards to assure that the resources are spent appropriately. This is contemplated when the loan is approved by the board of executive directors. In its 12 years of operation no incident has arisen when money has gone astray, where all payments were not made for purposes other than the project for which the loan was granted. It follows, therefore, that a considerable amount of undisbursed resources is available to meet the commitments into which the Bank has entered. But they are not resources available for lending. They are only available to fund the projects for which the loans have already been granted.

As of August 31, the Bank had available for commitment about \$250 million in the fund for special operations. That is the entire amount available for the Bank to continue lending from the fund for special operations. It is not the disbursement of loans already granted at. The uncommitted amount to which we must look. And the lending capacity of the Bank's fund for special operations will be completely exhausted by the end of this year.

The administration has also asked Congress in the President's budget proposal to appropriate resources for the Bank's ordinary capital. Before us is a proposed 50-percent reduction in a small amount of paid-in capital and a 50-percent reduction in U.S. subscription to the callable capital stock. It is indeed ironic that the Committee has seen fit to reduce by 50 percent the U.S. subscription to the callable ordinary capital. For indeed here is no cash outlay at all but rather a very contingent liability appropriation which would permit the Bank to raise resources in the capital markets of the world rather than utilize taxpayers dollars.

Again we hear it said that so much is available; that the Bank is sitting on a stockpile of money without risking it. There is no mention that the Bank's funds are totally committed to loans and that the Bank has borrowed much of that money in the capital market in order to meet its disbursement requirements and to be able to charge the borrowers an interest rate which bears a relation to its borrowing costs.

Let me emphasize. In dealing with the callable capital subscription there is no relation between available resources and

the appropriations process, since the Bank utilizes the stock subscription to the callable capital only as a means to be able to borrow funds when they will be needed and when they are available at reasonable rates in the capital market. I think it worthwhile to point out that the capital structure of the Bank was so fashioned that the Bank would be required to go to the capital markets for a share of its resources in order to assure that the appropriate financial disciplines which apply to any borrower in the public market apply to the Bank.

The fact that the Bank has borrowed successfully over \$1 billion in the world's capital markets—and over half of that amount outside the United States—affords ample proof that the world financial community regards the institution as a sound and competent one.

In closing, Mr. Chairman, I think we can disregard the variety of statements made about large amounts of resources available. I think we know better. We have heard this before. The truth of the matter is that unless the United States is able to agree to make a contribution to the Bank's fund for special operations, the commitment capability of the Bank will be ended and with it the capacity of the institution to continue to contribute to the economic and social development of our hemisphere and hopefully to the political stability as well.

Make no mistake, if there are no new commitments, there will be no new projects. If there are no new projects, there will be no continuance of Latin American progress. We vote here today for or against that small but important contribution to progress for the underdeveloped countries of the Americas that we pledged ourselves to at Punta del Este under President Kennedy. The price is so small for such an honorable redemption of that solemn pledge.

I, therefore, urge that there be appropriated the full amount requested by the President of the United States to meet what he deems to be an appropriate level of funding for this institution.

Mr. STEPHENS. Mr. Chairman, will the gentleman yield?

Mr. HANNA. I yield to the gentleman from Georgia.

Mr. STEPHENS. Mr. Chairman, I thank the gentleman for yielding. I associate myself with the remarks made by the gentleman from California.

Mr. Chairman, I rise to support full funding for the Inter-American Development Bank. As you may recall during the latter part of the 1950's after the Korean war when prices for primary commodities, especially coffee, had fallen drastically there was considerable unrest in Latin America which was demonstrated rather graphically by the visit of then Vice President Nixon in 1958. I should like to point out that until that time the United States had poured out vast funds for the reconstruction of Europe, yet limited resources were made available to assist much poorer countries in Latin America to raise their standards of living to a tolerable level.

At that time it was thought that the establishment of a regional development bank for Latin America might constitute one of the more effective means of en-

couraging the forces of change in these countries into productive channels. The Bank was conceived as an international cooperative venture based on a regional concept and this, of course, was for me one of its most appealing aspects. The willingness of the Latin countries themselves to unit in membership in the Bank and to contribute substantial resources and skills of this joint effort for the development of the region as a whole seemed to me at that time to be in the consonance with the tradition of self-help we had long had in this country.

The message which was sent to Congress in 1959 by President Eisenhower stressed the special relationships—historical, political, and economic between the United States and Latin America—but above all pointed out the desirability of an institution specializing in the needs of that region which would be supported in large part by Latin American resources and would give the Latin American members a major responsibility in determining priorities and authorizing loans in the light of their individual circumstances. Of course, it was not our intention, nor has it come about, that the United States should make a major contribution and abdicate its responsibility to guide the policies and procedures. But this system seemed to be at least a beginning of an institution through which the United States might assist in the economic and social development of its neighbors in the Southern Hemisphere by institutionalizing a dialog rather than to dictate to them in the terms of master to servant.

A capital structure of the Bank was fashioned by means of a subscription to callable capital which requires no cash outlay from the U.S. Treasury requiring the Bank to go to the capital market for a substantial share of its resources. Not only does this serve to draw private capital for economic development but also requires the Bank to maintain prudent financial disciplines to gain the confidence of the market. After all, the bond buyer is the harshest judge of all since he has so many alternative uses for his money. Since its inception, the Bank has raised over a billion dollars in the private capital market, all over the world, Europe, Japan, the United States. All issues are AAA rated. The record speaks for itself. In addition provision was made for subscription to a small amount of paid-in capital made available as non-interest-bearing notes which are drawn down as necessary to meet commitments.

President Kennedy channeled U.S. funds to the Inter-American Development Bank; President Johnson gave full support to its second replenishment and the third replenishment which is presently before the Congress for appropriation, has had the full backing of President Nixon. Each President realized the need for economic advance to provide political stability and secure the peace of the Western Hemisphere. Since its founding each Secretary of the Treasury has given the Bank his wholehearted support. The United States has pressed the Latin American members to take more responsibility for supplying Bank resources and allocating them to the lesser developed countries. This strategy

has in large part been successful particularly with respect to their increased participation in the fund for special operations or soft loan window of the current replenishment now before the Congress for funding.

I believe the performance of the Bank over the last 12 years bears out our initial confidence in establishing it. The Bank's total portfolio of loans is approaching \$5 billion. It has practically no loans in default.

The loan proceeds have gone to make the agricultural and industrial sectors of the economies of the Latin American members more viable in both economic and social sense with pure water and proper sanitation facilities, with decent housing and other urban and rural community facilities, and with the improved educational facilities required in today's technological world. A substantial portion of the proceeds has been invested in infrastructure projects necessary to long term growth.

In 1970 the United States negotiated with the Latin American member countries an increase in resources of the Bank to enable it to continue its activities. The proposed increase totaled \$3½ billion in two parts—a \$2 billion increase in ordinary capital largely in callable capital to enable the Bank to continue to borrow in the market and a \$1.5 billion increase in the fund for special operations, the window from which the Bank makes loans on concessional terms for projects which are essentially social—or humanitarian—in nature. The increases are to be made over a 3-year period in various increments. The U.S. share of the increases is \$673 million for callable capital, \$150 million in paid-in capital and \$1 billion for the fund for special operations. Congress authorized these increases but now the appropriations are needed to enable the United States to meet this commitment.

In the 1973 appropriation \$50 million is sought for the paid-in ordinary capital, payment of which is effected through non-interest-bearing letters of credit drawn down as necessary to meet the actual loan disbursements which usually begin to be made a year or so after commitment. The appropriation request also provides for \$336.8 million as a contingent liability subscription to callable ordinary capital which as mentioned previously does not constitute a U.S. budgetary outlay.

The 1973 appropriation request for the fund for special operations for fiscal year 1973 is for \$450 million which would be used for concessional financing of high priority humanitarian projects particularly necessary in the least developed member countries of the Bank who are not able to carry the heavier debt service of the ordinary capital loans. The United States has control over the disposition of these resources through its vote on the Board of Executive Directors. As with the paid-in portion of the ordinary capital subscriptions, these funds would be made available under non-interest-bearing letters of credit procedures with drawdowns only as needed to cover the loan disbursements. Without approval of this appropriation FSO resources would be exhausted by the end of 1972.

While almost every Latin American country has kept its promise made in 1970 and has appropriated the full funds due on time, the Congress although authorizing the full commitment has not seen fit to make the full appropriation of the U.S. share for the first time in the history of the Bank. Any serious cut in the Bank's program cannot have, it seems to me, anything but a serious impact both in a political and economic sense. The cut is particularly unfortunate in the fund for special operations area where commitments will have to be cut off for important social and economic development projects even though the cash outlays for disbursements may be delayed for 3 to 5 years.

I fully realize the difficulties in assigning priorities to the limited available resources, but I feel strongly that it would be shortsighted to neglect an institution which for 12 years has been such a good working example of regional co-operative enterprise, within our own hemisphere. I urge you to support a full funding for the U.S. subscription to the Bank.

Mr. HANNA. Mr. Chairman, I thank the gentleman from Georgia.

Mr. Chairman, if the Members will look at the record of this Bank they will see it has done a remarkable job over the years in terms of what we expected it to do. It has taken this business of getting involved in the development of the countries of this world who are not yet in the mainstream of modern industrialization, and it has made that kind of input which has a mix of dollars in which we are engaging in about one-third participation where we used to be in the 100 percent front of this thing after World War II. It develops from \$3 to \$9 of local money for every dollar put in and it is done on a project basis.

Mr. PASSMAN. Mr. Chairman, inasmuch as it is my privilege to handle this bill on the floor, I would say we have made substantial reductions. I want to say I have profound respect for the great Committee on Banking and Currency and each member of that committee. I think I can say to the committee that now this is an outright grant. There is no way, no way for it to be recovered, so we had to look over the operation of the Bank for the past 11 years and compare it with the Agency for International Development which disburses grants for the same purposes, for public works projects. The Agency for International Development is doing the same work and we could examine that in great detail, whereas the Inter-American Bank is a multinational organization and we do not have the right of detailed examination, but we managed to get inside to have a good close look. We found during 11 years of operation they had in the pipeline \$4,168 million, but they have only withdrawn \$1,990 million, which gives them a 5-year supply of money at the highest disbursement rate. The highest disbursement annually was \$400 million.

On that basis, with \$2,177,000,000 undisbursed, we thought we were quite generous in allowing an additional \$418 million to be added to that. If my mathematics are correct, a substantial amount

of money that could go into the sixth and seventh year, so we know that this is an outright gift if this would happen. We think \$418 million is quite generous.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Development loans: For necessary expenses to carry out the provisions of section 201, \$350,000,000, together with such amounts as are provided for under section 203, all such amounts to remain available until expended.

AMENDMENT OFFERED BY MR. LONG
OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 4, line 13, after the word "201" strike out "\$350,000,000" and insert in lieu thereof "\$200,000,000".

Mr. LONG of Maryland. Mr. Chairman, this is another one of these furniture sale cuts. Actually, the bill provides \$350 million this year compared to \$200 million last year. On the other hand, narcotics control is being paid for out of separate line item in the bill this year, so that the effective increase is \$192,500,000, almost a doubling in the development loan figure.

These are so-called loans. I just wish that the home buyers in your districts could borrow at 2 percent for the first 10 years and 3 percent thereafter for 40 years altogether. These ridiculous interest rates, plus the fact that there is no way of forcing repayment without a war, mean that this loan is largely a gift. We are going to see that these countries will pay back a portion of what we are lending—so long as we keep lending them money. But we are never going to get our money back from these loans.

I would not mind—I have been a supporter of foreign aid in the past, but let me give you an example: In the early 1960's we made an emergency loan to Indonesia for \$7 million. Later that same week we learned that Indonesia was going to spend \$20 million to purchase three U.S. luxury airliners for its officials. AID officials admitted that they knew nothing of this.

A dike was built in Jordan to catch rain for irrigation, but rain never falls in the area. The United States approved money to Kenya for doubling their fishing boat and thus increase the catch. The fishermen got the same number of fish as before and just went home early every day.

I am not going to dwell on this. The usual arguments have been made that they will buy our goods, but I am pointing out that if you lend the money to our own people, they will buy our goods.

You are arguing that you are raising the standard of living. I have been through poor country after poor country. If you use your eyes, you will see an increase in the standard of living all right, but only for the top small percentage of the population; maybe 10 percent. The great mass of campesinos, the poor peasants all over the world, are scarcely touched by these AID programs.

That is what has turned me off. If they really raised the standard of living, I would be willing to see it increase. But I am going to enunciate Long's law: Sub-

sidies almost always go to the wrong people for the wrong reasons.

They go to the people with the power and know-how to get it. The poor, suffering human beings we pretend to be lending this money to, or to whom we pretend to give it, never get any part of it.

I am not for abolishing the aid program. All I want to do is to hold it at last year's figure in view of the tremendous debt which we are accumulating; \$80 billion in the last 4 years. I make this prediction: we are certain in the next 4 years to get a tax increase, and foreign aid is going to be a large part of the reason for it.

Let us have the foreign aid program, but let us keep it within reasonable limits; keep it at levels that are already high; in fact, higher than a number of years before.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

First, I am extremely fond of my very dear friend from Maryland. Of course, he voted for a higher figure for supporting assistance.

Mr. LONG of Maryland. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. PASSMAN. I thank the gentleman for getting a quorum here, because I want the Members to hear this.

The CHAIRMAN. Eighty-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 379]

Abourezk	Edmondson	Minshall
Anderson, Ill.	Evins, Tenn.	Murphy, Ill.
Anderson, Tenn.	Flynt	Murphy, N.Y.
Annunzio	Fraser	Nichols
Aspin	Gallagher	O'Hara
Badillo	Gialmo	Patman
Baker	Goldwater	Patten
Baring	Griffiths	Pepper
Bell	Hall	Peyser
Betts	Hansen, Idaho	Pirnie
Bevill	Hansen, Wash.	Powell
Blackburn	Hays	Pryor, Ark.
Blanton	Hébert	Pucinski
Boggs	Jacobs	Rangel
Bow	Jarman	Riegle
Byrnes, Wis.	Jonas	Rooney, N.Y.
Carey, N.Y.	Keating	Saylor
Celler	Kuykendall	Scheuer
Clark	Kyros	Schmitz
Clawson, Del.	Landrum	Skubitz
Clay	Leggett	Steed
Curlin	Link	Thompson, Ga.
Davis, S.C.	Long, Md.	Thompson, N.J.
Derwinski	McClary	Ullman
Devine	McCormack	Veysey
Diggs	McCulloch	Walde
Dorn	McDade	Wiggins
Dowdy	McDonald	Wilson
Dulski	Mich.	Charles H.
Dwyer	McMillan	Wyatt
	Mikva	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 16705, and finding itself without a quorum, he had directed the roll to be called, when 341 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recog-

nizes the gentleman from Louisiana (Mr. PASSMAN) for 5 minutes.

Mr. PASSMAN. Mr. Chairman, as I stated previously, I do have a very high regard for my friend from Maryland. He is a fine American. We do a lot of kidding, but I find it rather difficult to follow his thinking as compared to his voting. On August 10, my good friend voted for the Foreign Assistance Act. I think that is when the foreign aid bill passed the House. Then, in the subcommittee he likewise voted for my recommendation which would reduce it to \$350 million.

Now, I do not want to kid my friend too much. My opponent withdrew, but, of course, he is going to have to handle himself in such a way as to appear to be a conservative back in his district. I hope he hides those records, because they may get hold of his previous voting record. I want him to hide them, because I want him to come back.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. PASSMAN. Not at this point.

Now, in 1965 worldwide development loans, we appropriated \$773 million. We had Members who objected to this figure. They thought it should be \$800 million, so every year now your committee has spent hundreds of hours trying to build a record that would justify reducing all of these programs. We finally reduced this program down to where last year in a compromise late in the season, we only recommended \$200 million. We just about wrecked the program, because we had commitments made that we could not finance. Some commitments we had funded up to 80 percent, and they did not have the money to finance the projects.

Let us look at the record. The administration recommended \$415,000,000 for the worldwide development loan program, but your committee has reduced that to \$350 million.

Mr. Chairman, this is one of the things in the bill that we can label "good." Even the so-called developing nations are paying these loans on time. There is less than 1 percent of the total indebtedness delinquent at this time.

Now, let us have a look at what the repayment record would be in 1973. We are only recommending \$350 million for development loans, but the borrowing nations will repay to the U.S. Treasury in cash this year \$135 million out of previous years' loans, so we are going to get back more than 32 percent as much as we are putting out.

They have a marvelous record. Again, 88 percent of the money contained in this item is spent in America for American commodities. That means a profit for the manufacturer so he can pay to the U.S. Treasury, and it helps these nations.

I have always believed in making loans rather than outright grants. I hope this amendment is voted down, because we have tried to do a creditable job for you. It is impossible to bring a bill out that pleases all the Members. If we cut too much, we displease some. If we do not cut enough, we displease others, so we try to bring you a balanced bill. When you reduce the budget request by a billion dollars and 20 percent, you estab-

lish a record year after year where your subcommittees, and I respect all of them, will cut 2 to 3 percent.

We broke our necks and spent hundreds and hundreds of hours and cut 20 percent, so do not give us bouquets, but do not give us brickbats either. Back us up so that we can continue doing a creditable job for you.

Mr. SHRIVER. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Kansas.

Mr. SHRIVER. We did not fund the Asian Bank the \$100 million asked for, and it is similar to this worldwide development loans program in that part of the world and elsewhere.

Mr. PASSMAN. In that part of the world, yes. That is a very excellent observation, because this agency, we cut all of it out. We denied the entire amount, \$100 million.

I hope the Members will vote down this amendment and give us an opportunity to continue working for them constructively.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I am sure it would be wonderful if all we had to do was to make money available at 2 or 3 percent interest to foreign countries and that would salvage the economy of this country. If it were all that simple I believe I could support a foreign aid program. But it does not work out quite that way, and I do not believe the gentleman from Louisiana thinks it does, either.

Mr. Chairman, I now yield to the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. I thank the gentleman from Iowa.

The gentleman from Louisiana has given us the usual litany of fallacies here in connection with this bill. He talked about how much they have cut it below the budget. Of course, that is a furniture sale cut, as I said before, to those people who were in this Chamber. It is a "phony" cut.

When we count the shift of money away to the narcotics program, this is almost double what it was last year, in a year in which we have never been in greater trouble on the budget, with tax increases staring us in the face next year.

I am getting awfully tired of listening to this stuff about how if we just give all these people this money they will spend it in the United States, and this will sell American products. I wonder whether the gentleman from Louisiana ever stopped to think that if we put this money in his district in Louisiana or in my district in Maryland those people would be fairly sure to spend the money in the United States. I would think we would have a somewhat better chance of selling these goods.

This is the biggest economic fallacy I have ever heard.

The interest rates are absolutely absurd, with grace periods of 10 years, 2 percent for the first 10 years and 3 percent thereafter. A little while ago the gentleman said it was not an interest rate of three-fourths of 1 percent. No, it is not; they call it a service charge.

Mr. GROSS. There are hundreds of

millions if not billions of dollars of old loans made to foreigners at three-fourths of 1 percent or 1 percent interest and for 40 to 50 years.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. LONG of Maryland. No, I will not. I want to make this point.

I hope this will burn itself into the brains of Members. Much has been said here about the high repayment rate, and that there is no default. All of us know what the repayment record of foreign countries is toward this country. In fact, any country which lends money outside of its own country has a very poor chance of ever getting it back, on the record.

What they are talking about, as to this low default rate, is that they are paying back a certain amount of money. The point is that they will do this so long as every year we lend them two or three times as much money as they are paying back. While we do that we can count on them to keep up with the repayment. But heaven help us if we ever stop.

If these loans mature, get to a mature lending situation, which inevitably is going to happen, since this cannot go on forever, as to giving it away and getting it back, when that time comes to get it back entirely that is when the repayment will stop. You know it and I know it. They are just kidding the taxpayers.

Mr. GROSS. The gentleman is exactly right, and I am sure the gentleman from Louisiana cannot argue with that.

Mr. LONG of Maryland. I have heard the gentleman from Louisiana say it himself.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I have no quarrel with my friend from Iowa. I am trying to understand the inconsistency of my dear friend who is a member of the subcommittee. On August 10 he supported the Authorization Act. In my committee last Friday he voted for this bill. I did not know he was opposing it. He must have heard from some of the voters back home.

Mr. GROSS. It is said that some minds are pure because they change so often. Perhaps that is why his mind is so clear on the facts here today.

Mr. PASSMAN. I directed that statement to the gentleman because he voted for the highest figure.

Mr. LONG of Maryland. Would the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. LONG of Maryland. Speaking here on behalf of the voters back home, I wonder if the sudden enthusiasm of the gentleman from Louisiana for foreign aid is due to the fact he has just finished his primary back in Louisiana and he has got a pretty free ride for the next 2 years.

Mr. PASSMAN. I want the gentleman to understand Mr. PASSMAN always stands consistent in the way he votes, in the way he talks, and the way he acts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. Long).

The question was taken; and the

Chairman announced that the noes appeared to have it.

Mr. LONG of Maryland. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

MILITARY ASSISTANCE

Military assistance: For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, as amended, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, \$730,000,000: *Provided*, That none of the funds contained in this paragraph shall be available for the purchase of new automotive vehicles outside of the United States.

AMENDMENT OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dow: On page 5, line 23, strike out "\$730,000,000" and insert in lieu thereof "\$537,750,000".

The CHAIRMAN. The gentleman is recognized in support of his amendment.

Mr. DOW. Mr. Chairman, as Members of this House know, I have on every occasion when this appropriation for military assistance for Cambodia came to the House, stood here in opposition. I have opposed funds for Southeast Asia on every and all occasions, for Vietnam, Laos, and Cambodia. Since hardly anyone else is concerned about Cambodia, I think this Cambodia funding presents the occasion for somebody to oppose it.

Most certainly the American policy in Cambodia has been a misbegotten policy of failure, misery, and chaos. I believe that the numbers of refugees there have approached a figure nearly as great as those in Vietnam, and this is because the United States has chosen to do its fighting there largely by air.

We are not sure what government rules in Cambodia. We are not even sure why the government in Cambodia was overturned a year or two ago, and possibly the United States had a hand in it. That feature, too, is obscure.

Therefore, I am offering an amendment to make a record to show that about 25 percent of the military assistance provided in this bill shall be deducted, because the amount listed in the report for Cambodia is approximately 25 percent of the total figure in the report of \$800 million-and-some for military assistance. I would have given it as an exact figure down to the pennies, but that would have been pretty detailed. My figure here is approximately a 25-percent cut in the amount for military assistance, because that is approximately what we are providing for Cambodia.

Those who question our policy in Southeast Asia should oppose any more funding for Cambodia, especially after the futile forays that went on into the Parrot's Beak and the Fishhook and into other places that wound up under the control of the North Vietnamese.

There is nothing right or illustrious about our performance in Cambodia, and I submit, Mr. Chairman, we should end it as promptly as possible.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, of course, this item is illustrative. We do not know how the funds will be allocated. We do indicate in our report the portion which would be allocated to these different nations as proposed in the budget request. Now, of course, we are working, hoping, and praying that we can finally conclude this conflict in Southeast Asia, which I guess we all regret we have gotten into. However, it would appear that if you look at the record, we had 543,000 troops in 1969 in Vietnam and it is estimated to be down to 27,000 on December 1 or maybe even less. If you look at the cost in 1969 of the war it was running about \$28 billion a year and the cost now is estimated to be down to \$7 billion in fiscal 1973. It would appear that we are trying to wind down this conflict.

I think this is the very minimum military assistance that we can have in order to carry out not only our necessary commitments in Southeast Asia but around the world.

Of course, the administration wanted a lot more money than this. I have a letter here from the Secretary of Defense, a man we all respect very highly. He said in addition to the \$730 million, that my good friend from Maryland voted for back on August 10 and this great Committee on Foreign Affairs recommended, we may need more. Even after the recommendations of the strong-willed men of wisdom, we still cut it by \$50 million. The Secretary of Defense said we made a mistake and that they were going to have to come in and get a supplemental.

I sincerely believe the security of our country is at stake and if we are going to conclude this war in Southeast Asia and if we are going to bring our troops home, we are going to have to provide a minimum amount of military assistance. This is something which we have practiced for 25 years—furnishing the money and the men. Under the new doctrine, we will only furnish the money.

Mr. Chairman, I hope the Members vote down this amendment and that we conclude this conflict and bring our boys home.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment. I had contemplated proposing a somewhat similar amendment, although not the same.

This is, of course, more money down the drain. After 22 years we are still pouring money into Southeast Asia; we are still being told that the end of the war is just around the corner; we are still being told that this money is to modernize the weapons out there so that we can make it their war instead of ours.

Ten years ago I sat on the Committee on Armed Services and was told that we were modernizing the weapons there and that these people were all disciplined and good fighters and that we had accomplished our purpose. Now 10 years later I am hearing the same song and I have no doubt that 10 years from now Mr. PASSMAN will still be standing up and giving us the same litany that we have

to pour more money into Southeast Asia to bring our boys home.

We have done a little juggling with figures—27,000 he says. There are other people who have a different judgment, feeling that we have something like 140,000 Americans when you count all of the fighting men out there in one capacity or another.

Mr. Chairman, let me point out while this money is for Thailand and Cambodia, and so on, frankly I think our purpose in moving into those areas was really to give the Communists a blank check to move in there and communize the whole area, when eventually, I suppose, we do get out, but we have certainly given them a good excuse to go in.

Let me give you an example—

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. No, I do not yield to the gentleman. I do not yield at this time.

At the time of this military assignment Thai military personnel were trained in the United States at a cost of about \$500,000 to operate and maintain a missile system that would not be installed for some indefinite period of time. Also the Iranians were trained in a training program on the operation of Iranian aircraft, and at that time the Iranian Air Force only had one single-engine aircraft.

This is from the GAO report.

But my friend, the gentleman from Louisiana (Mr. PASSMAN) is very fond of chiding me for voting for the foreign aid although I did vote for the whole thing. I voted for it because I wanted to make sure that there was money in it for Israel. The money for Israel is about the only good part of this bill, in my estimation.

But let me read a little bit from Mr. PASSMAN's words. Mr. PASSMAN said, before our hearings:

Aren't we going to keep this world in a state of turmoil as long as we provide these nations with some type of military assistance, whether equipment or training? How are we going to cool this thing down around the world if we don't make a reduction in the number of nations receiving aid?

This was just a short time ago that my chairman, the gentleman from Louisiana (Mr. PASSMAN) made that statement.

Mr. PASSMAN. And I stick by that statement, if the gentleman will yield.

Mr. LONG of Maryland. I do not yield to the gentleman.

Mr. PASSMAN. I tried to yield, but the gentleman did not accept.

Mr. LONG of Maryland. Mr. Chairman, I will not yield to the chairman.

I want to say that this is a huge increase, an increase of 50 percent over last year, and it is an unconscionable increase. While I support military assistance I think this is much, much too much, along with the rest of this bill, and I hope very sincerely that the amendment offered by the gentleman from New York (Mr. Dow) is accepted.

Mr. SHRIVER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from New York (Mr. Dow).

Mr. PASSMAN. Mr. Chairman, would the gentleman yield?

Mr. SHRIVER. I will be very happy to yield to my chairman.

Mr. PASSMAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me reiterate that I have affection and regard for my good friend, the gentleman from Maryland, but I am somewhat shocked to think that he would vote for a possible \$5 billion bill and then for \$50 million change his position. Let me say that I am a very sincere friend of Israel, very definitely, but I do not want to stand here and say that I would vote for a \$5 billion bill just because there may be \$25 million in it for Laos and Cambodia.

I want to make it very clear what my good friend from Maryland voted for a higher figure, voted for the full figure on August 10. I do not know what has brought this change in the gentleman's position.

I will look forward to his return to the House so that the gentleman will be back on the committee and work with me next year.

I thank the gentleman for yielding.

Mr. SHRIVER. Mr. Chairman, the figures I would point out that are in the report that relate to the various countries are illustrative. The report was quite clear on that, this is an illustrative program, and the funds will not necessarily be used as shown on page 21. However, the fiscal year 1973 budget proposes to supply materiel and training programs in some 25 countries, and training only programs in some 22 countries. And the aid for Cambodia, as mentioned in the report—and the amendment is directed to this—is aid in implementing the Nixon doctrine of reducing the U.S. presence over there and winding down this war. That is its purpose.

Mr. SIKES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I intend to be very brief. I oppose the amendment because Cambodia is seriously threatened by Communist forces. Cambodia is our friend. Cambodia must have weapons and equipment. If the Communist should prevail there, Cambodia could revert to the status of principal supplies of Communist forces which was true when Prince Sihanouk ruled that nation.

It should be very clear what is happening out there throughout Southeast Asia now. Much of Cambodia already has been overrun by Communist forces. Even more of Laos is held by them. They occupy parts of South Vietnam. They are trying to lay hold of every inch of territory that they can because one day they know they must go to the negotiating table and seek an end to war. One day they are going to the negotiating table, and when they do they are going to say, "The land we hold—it is ours—now we will negotiate for yours."

That is the way the Communists do business.

We propose only money for military supplies for these hard-pressed friends. This is far different from direct force involvement. We must help these friends of ours to stay alive.

Let me just quote directly from a letter which has already been referred to from Secretary of Defense Laird. He said this:

I want to re-emphasize at this time my strong conviction that the levels we have requested for grant aid and credit sales are the absolute minimum needed to protect the viability of our program under the Nixon Doctrine.

I am personally convinced of the need of a supplemental for the fiscal year 1973 grant assistance appropriations to offset short falls because of cuts made last year and affecting this year's funding level.

The Secretary of Defense says that not only do we need every dime of the money in the bill before you, but that he is going to have to request a supplemental in addition if we are to discharge our obligations.

So there is not too much money in the military assistance program. It is probably the best investment in the foreign aid bill. Do not pull the rug out from under our friends.

Mr. Chairman, I hope this amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Dow).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SECURITY SUPPORTING ASSISTANCE

Security supporting assistance: For necessary expenses to carry out the provisions of section 531 of the Foreign Assistance Act of 1961, as amended \$750,000,000: *Provided*, That no part of this appropriation shall be used to initiate any project or activity which has not been justified to the Congress: *Provided further*, That of the funds appropriated under this paragraph, up to \$50,000,000 may be allocated to Israel: *Provided further*, That the funds appropriated or made available pursuant to this paragraph shall be available notwithstanding the provisions of sections 534, 535, and 536 of the Foreign Assistance Act of 1961, as amended.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Long of Maryland: On page 6, line 10, after the word "amended," strike out "\$750,000,000" and insert in lieu thereof "\$550,000,000."

Mr. LONG of Maryland. Mr. Chairman, this bill provides \$730,000,000 or \$229,400,000 greater than last year, much of which is to Southeast Asia and presumably for the stabilization of war and relief activities in Vietnam.

Now I am proposing to cut this back to last year's level because again I feel that this is more money down the drain.

I also propose in a subsequent amendment, which I will offer, to change the language providing security assistance to Israel as part of this sum to strengthen the language to make sure that Israel gets the money because the language has been weakened this year and Israel might get \$50,000,000 and they might get 10 cents.

Now, let me quote my friend, the gentleman from Louisiana (Mr. PASSMAN)—because I greatly admire him—I think he has made a real study of this legisla-

tion, but I am just shocked that he has changed his mind on so much of it recently.

I want to read what he said about some of the security support assistance. Particularly, he mentions the fact that Thailand, to whom we are giving security support assistance, has built up \$1 billion in a foreign exchange account. Now he says this bill is illustrative.

I might point out that the gentleman from Louisiana (Mr. PASSMAN) supports an illustrative bill.

He does not want a line item bill where we can nail the administration down and make sure that the money will go to a specific country.

This bill is deliberately weasel worded so that you can always shift out when somebody says the money is going to a particular place that you do not want it to go to.

Mr. PASSMAN pointed out under the Johnson administration, we went to Thailand and borrowed \$100,000,000 to be repaid in 4 years at an interest rate of 6 percent. We were giving the money for practically nothing and we borrowed it back at 6 percent—and here I repeat this language, he said:

How silly can we get, Mr. ———? Here is a small nation that has had a favorable foreign exchange credit and we go out and actually borrow \$100,000,000 from them at a high rate of interest to be paid back in four years.

Here you are requesting a grant-in-aid program for Thailand when these people have a favorable foreign exchange balance, even at this time with a \$100 million loan from the United States that we borrowed from them to be repaid next year with interest.

This is the gentleman from Louisiana (Mr. PASSMAN). He is appalled by the type of economic behavior that we have been guilty of, and I agree with him. I just do not understand his recent change of heart. I think there is plenty of money out there in Southeast Asia. I think there always has been. What we have got to learn and what we have not learned in all of these years of the Vietnam war is that dollars do not fight; men do. We have got a quarter of a million Communists fighting all over Southeast Asia. They have been fighting 2 million people, plus 600,000 Americans when we had them there. They had everything—our allies, the men, the equipment, the finest we could give them, and our allies were beaten, outclassed by a quarter of a million people. Nobody has ever claimed there was more than a quarter of a million Communists.

What is the difference? The Communists have the will to fight and you cannot give people the will to fight by pouring dollars onto them, and that is what we are guilty of doing.

We are just kidding ourselves again by raising the ante, pouring in more money over last year. All I want to do is cut it back to last year; I do not want to cut it out altogether—although I might if I could. I just want to cut it back to last year, in view of the tremendous debt, the tremendous burden on the taxpayer that faces us.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

I want to commend the gentleman for quoting me so often. It makes me feel very good to know that I am such an expert that what I have said in the past, and the statistics I have established, have enabled this little old country-boy chairman to make a reduction of an average of \$1 billion a year in the foreign aid bill with the support of his committee, something I like to see in writing.

Mr. Chairman, the very security of our troops in Vietnam is involved in this item. I know that the distinguished chairman of the Foreign Affairs Committee will verify what I am saying. The very life of our remaining troops is built around this appropriation; 85 percent of this supporting assistance will go to those four nations in Southeast Asia: Cambodia, Laos, Thailand, and Vietnam. I am not going to pull that rug out from under this area. I want us to conclude that conflict. The Members know and I know that we are going to have to continue supporting Vietnam economically; otherwise, the Government would fall. We are in this, and we are going to have to work it out together. I think this is the bare minimum budget we can meet our commitments with and protect the lives of those remaining precious boys.

My distinguished friend mentioned about having money in here for Israel. There is not a man in this House who has more consideration for Israel than I have. I feel we have backed Israel, and we created this state. We put money in this bill for Israel, but we do not have to single out one nation and earmark funds over and above everything else. We can indicate our position by this language and by this report. I will assure the Members that they will get the \$50 million for Israel, but I would not want to see the funds earmarked.

I hope that the Members will vote this amendment down, recognizing, as the great chairman of the Foreign Affairs Committee has, that all of the Members and the members of my subcommittee, including my good friend from Maryland, who did, incidentally, reserve partially on this line item—so that we can face up to our real responsibility and wind down the war, protect those boys, and bring them home.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The question was taken; and on a division (demanded by Mr. LONG of Maryland) there were—ayes 10, noes 43.

Mr. LONG of Maryland. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. PUCINSKI. Mr. Chairman, I offer an amendment.

Mr. LONG of Maryland. Mr. Chairman, does the gentleman's amendment apply to \$50 million, because as a member of the committee I have an amendment on that matter. I have an amendment, as I indicated in the well, in connection with the \$50 million.

AMENDMENT OFFERED BY MR. LONG OF
MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 6, line 14, after the word "paragraph," strike out "up to \$50,000,000" and insert in lieu thereof "not less than \$50,000,000".

Mr. LONG of Maryland. Mr. Chairman, the language in this bill allocating \$50 million to Israel has been called an earmarking, but it is not an earmarking at all. All the bill does is say that up to \$50 million may be allocated to Israel. The reason I am offering this language to change that wording to say "not less than \$50 million" is that this was precisely the language last year. I am merely asking that this bill allocating security supporting assistance to Israel be just as strong in its allocation of \$50 million this year as it was in last year's bill.

Let me point this out. Right now the situation for Israel looks pretty good. It is a valiant little state fighting for its life, surrounded by 100 million enemies, with not too many friends except the United States. We have both Presidential candidates competing to assure that Israel is assured it will get security supporting assistance and military credit sales support. But that, remember, is during the election campaign. We have 6 weeks to go before November 7. Then one of these gentlemen will have been elected, and after that we will have no assurance at all that we will get that kind of support from whichever one becomes President, whichever one is elected.

Under the language right here, as we have it now, we could have a situation in which theoretically only 10 cents could be allocated to Israel and it would conform perfectly well to the wording of this bill. So I ask that we strengthen the language to make it at least as strong as that of a year ago.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding. I rise in support of his amendment.

Mr. Chairman, I would like to call attention to the fact that the language the gentleman is proposing to restore as it was last year is also the language in the authorization bill which was passed by this House just recently. If we used the language that presently obtains in the bill it would be inconsistent with what the House did just a few weeks ago when it passed the authorization bill in which it was clear that not less than \$50 million of the security supporting assistance would be allocated to Israel.

Mr. LONG of Maryland. Exactly. I am glad the gentleman brought that up. This was the reason I voted for this provision several weeks ago.

I might point out that although we had a tremendous increase in appropriations for practically every country in the world the appropriations offered in here for Israel are exactly the same as last year, and in fact they are less because under

this \$50 million not even 10 cents could be given if the administration or if this Congress should change their minds.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from New York.

Mr. BINGHAM. Is it not also true that if the House uses weaker language this year than it did last year and in the authorization bill, this might be construed as somewhat of a lessening of support for the State of Israel in this House?

Mr. LONG of Maryland. I do not know why it would not be. I think it does.

Mr. DOW. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from New York.

Mr. DOW. I am afraid I must say that the gentleman's amendment is not as strong as it should be. I had intended to offer the same amendment he has, but in a stronger version by adding the word "shall" instead of "may" following the amount of \$50 million.

As soon as I have the opportunity, I mean to offer an amendment to the amendment offered by the distinguished gentleman from Maryland, which, I believe, will strengthen the true purpose of his amendment, namely to make certain that the \$50 million provided for Israel is nothing less.

Mr. LONG of Maryland. Mr. Chairman, I ask unanimous consent that the language of the gentleman from New York be substituted for mine to make it "shall" instead of "may."

Mr. PUCINSKI. Mr. Chairman, I have sent a substitute amendment to the desk.

The CHAIRMAN. Did the gentleman from Maryland make a unanimous-consent request?

Mr. LONG of Maryland. I make a unanimous-consent request that the language of the gentleman from New York which substitutes the word "shall" for "may" be inserted as part of my amendment so that my amendment shall read:

Shall allocate not less than \$50 million.

I think it is a play on words. I think the "not less than" is strong enough.

Mr. PUCINSKI. Mr. Chairman, reserving the right to object, I have at the desk an amendment which I had attempted to offer when the Chair recognized the gentleman from Maryland, and my amendment which was at the desk and is at the desk would have changed the word "may" to "shall."

I had also sent up the substitute which would provide that the language read "not less than \$50 million shall be allocated."

In view of the fact the gentleman had an amendment before the House now stating that not less than \$50 million may be allocated, and he has now asked unanimous consent that the word "may" be changed to "shall," in order not to confuse the parliamentary situation I will not object.

I do want to point out that I had planned to offer the same amendment. I support this amendment.

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, I must say that I think this is a tempest in a teapot, because the authorization

bill—the gentleman from New York was right—does direct the executive branch to obligate up to \$50 million to Israel. I am for the intent and purpose of the bill and the amendment. On the other hand, all administrations I have known in 24 years in the House, whether they were Democratic or Republican, have never construed a directive in the field of obligations to be mandatory.

So, I think whether you make it "shall" or "may" or "up to," it is really immaterial, because the Nixon administration will make available to Israel every dollar that is needed to maintain Israel's independence and security.

Mr. Chairman, in my judgment, rather than to amend this bill in this sort of haphazard way, I will object, and if somebody wants to offer a substitute that includes "shall," I will support it. I think the proponents ought to do it in a more proper legislative way and not by some confused procedure on the floor of the House.

I object.

The CHAIRMAN. Objection is heard.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to give you my positive assurance that there is no plan to shortchange Israel. It has been my privilege to handle this bill for 18 years. We have shown preference to that country by design, and I have been guilty of it; because we created that state.

They are doing a tremendous job in the world. I believe we should support them. As far as I am concerned, I am going to support them.

What we are attempting to do is to keep the system of appropriating funds on a regular basis. We should not actually earmark funds for nations. All of these funds are on an illustrative basis. Even as serious as the situation is in that part of the world, we do not earmark funds for Vietnam.

It has not been the policy since the inception of the foreign aid program to earmark funds. We always give it on an illustrative basis.

We have made the legislative history here. I can assure the Members who are present that as it would apply to the military credit sales as well as to supporting assistance, Israel will receive the aid.

If we earmark funds for Israel in the bill and make it mandatory that it be allocated, that will leave a small amount for all the other nations of the world.

It may be just that way, but what would happen if halfway through the administration should decide that they needed only \$30 million, and we pinned them down to \$50 million? Then we cannot utilize the other \$20 million.

We want to keep the record straight that we give this money on an illustrative basis, and we are looking to the administration to fund the programs as we have expressed ourselves not only in the bill but also in the report.

I have this record for 18 years of sticking by my word, helping my friends. We do not have too many of them but Israel is one of our best friends.

I am certainly going to give my assurance to the Members that they will not

be led into a trap on this. Let us keep the regular arrangement going.

I respect all of these great Members, such as the three now standing trying to get in an amendment dealing with Israel. How about the other nations where we have a program? Let us move along according to the bill. The Members can take the committee chairman's word that Israel will be taken care of.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from California.

Mr. CORMAN. It is my understanding that there is at least an indication from the administration that no money here will be used for military sales to Pakistan.

Mr. PASSMAN. That is correct.

Mr. CORMAN. I do not anticipate offering an amendment, but I hope the administration will stick to that. I believe it would be tragic if we spent American taxpayers' money for Pakistan.

Mr. PASSMAN. So far as I know there will not be any.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I am happy to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Is it the intention of the chairman of the subcommittee that \$50 million in security supporting assistance be made available to Israel? Is that the intention?

Mr. PASSMAN. That is not only the intention, but so far as the committee has the power to do so we are going to see that they get the \$50 million.

Remember this: If we should accept the language presently pending, it is not mandatory that the administration give Israel one dime. This would not be doing anything. They do not have to allocate this money regardless of the language.

Mr. GERALD R. FORD. On the assurance the gentleman from Louisiana has just given I do not believe any significant change in the language is necessary because the Nixon administration will spend whatever is necessary to maintain Israel's independence. The intention of the House, and I trust of the Senate, would be that that much money be made available to Israel for security supporting assistance. I reiterate that I support that amount and whatever is necessary to maintain Israel's independence.

Mr. PASSMAN. There is nothing any better than a record, and that is what we have lived up to, on our commitment.

Please vote down the amendment, and let us move along on this bill.

SUBSTITUTE AMENDMENT OFFERED BY MR. PUCINSKI FOR THE AMENDMENT BY MR. LONG OF MARYLAND

Mr. PUCINSKI. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. PUCINSKI, as a substitute for the amendment offered by Mr. Long of Maryland: Page 6, line 14, after the word "paragraph," strike out "up to \$50,000,000" and insert "not less than \$50,000,000 shall".

The CHAIRMAN. The gentleman is recognized for 5 minutes in favor of his amendment.

Mr. PUCINSKI. Mr. Chairman, I offer this amendment to give the House an opportunity to speak out as Americans and as friends of the people of Israel in Israel's most serious crisis.

We know there is a monstrous conspiracy against Israel and her foreign outposts all over the world. No nation today is subjected to a greater degree of brutal terrorism than is Israel, and it seems to me that this is an excellent opportunity for us in this House, with all due respect to the argument being offered by the distinguished minority leader and the distinguished chairman of the subcommittee, and with all due respect to the other arguments presented here, this is an excellent opportunity through this gesture here on the floor of the House today to say to the people of Israel that we intend to stand behind them in this, their grim moment of tragedy, when we see the most vicious, diabolical kind of terrorism being practiced against this country, starting at Munich, with the assault on Israel's athletes, and only yesterday watching this wholly new type of terrorism being exported not only into our own country, but into other countries by Arab terrorists through the form of letters containing lethal explosives.

I think the distinguished chairman of the subcommittee made an excellent presentation here. I know that he spells out the case very wisely, and I do not intend to argue with him.

I respect his word; I know that what he says here is valid and meaningful. But I would hope that this amendment would be adopted by the committee as an expression by this Congress that in this tragic moment when the most brutal resources are being used against Israel and her government, we in this country are sensitive to her plight and want to help her in her hour of crisis. My vote for this amendment will be a reaffirmation that America stands behind Israel and all attacks on her sovereignty will fail.

Mr. Chairman, I hope the amendment will be adopted.

Mr. LONG of Maryland. Would the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. We have all come to concur in the general philosophy we live under a government of laws, not men.

Now, does the gentleman from Louisiana (Mr. PASSMAN) have a guarantee he is going to be here all next year? I hope so, but do we know that for sure?

Mr. PUCINSKI. Well, I can tell the gentleman I hope he will be. He has been a distinguished Member of this Congress and has made a great contribution, and I hope he will be here for a long, long time to come.

But the issue is not whether or not this amendment is going to pass; the issue here is that it gives us an opportunity to express our strong feelings of support to Israel in her great moment of crisis.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman.

Mr. LONG of Maryland. I think the

language ought to be just as strong as it was last year.

Mr. PASSMAN. Will the gentleman yield?

Mr. PUCINSKI. I yield to the chairman of the committee.

Mr. PASSMAN. Let us just look at this in an orderly way. Why is the gentleman selecting one little nation of 3 million? You could make a stronger case—

Mr. PUCINSKI. I am picking out Israel because there is no other nation in this world which is today the victim of monstrous terrorism that you see being inflicted against Israel. You cannot name me another. Israel needs our help and I intend to do all I can to help assure this help.

Mr. PASSMAN. How about the Far East?

Mr. PUCINSKI. There is no other nation that is a victim today of the kind of diabolic plotting and brutality that is going on in the form of a whole new concept of terrorism that is being exported by the terrorists against Israel to every corner of this world.

This is a situation that is of deep concern to every one of us, and that is why I single out Israel, because today no nation needs the moral support of the world more than Israel.

Mr. PASSMAN. Would the gentleman yield further?

Mr. PUCINSKI. I yield to the gentleman from Louisiana.

Mr. PASSMAN. First, the gentleman picks Israel. Are not we really a little bit ridiculous when we select one small nation? We all want to help, but here we are singling out one nation among 102 nations that receive help. You know I am just as pro-Israel as anyone. We know the record. We are all pro-Israel. But let us not louse up a piece of legislation trying to overmake our points.

Mr. BUCHANAN. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the Pucinski substitute to the amendment offered by the gentleman from Maryland (Mr. Long), and the Long amendment as amended thereby.

I do not think there is any question but that the chairman of the subcommittee and the subcommittee intend for this money to go to Israel. I do not think there is any question of the friendship of this Democratic-controlled Congress for Israel or any question of the Republican-controlled administration's friendship for Israel, and I believe the present President of the United States not only this year but for the next 4 years is going to continue to demonstrate that friendship as President of the United States.

However, I think we should leave no doubt under heaven and not one stone unturned so that there can be no question at all of the fact that we intend this money to go to Israel. I cannot see why we cannot use the same language that we did last year for that purpose.

So I do rise in support of the substitute as well as the amendment.

Mr. PASSMAN. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman.

Mr. PASSMAN. If you should adopt this language, it is not mandatory upon the administration to allocate one dime to Israel. You are not changing anything, you are only indicating the reason why we are doing this. I stated that purpose about 2 minutes ago.

Mr. BUCHANAN. Of course, the gentleman is correct. However, I would say it is stronger language for us to use, and that is why I want to vote for it. I think the President will come across with this money and the intentions of both the administration and the Congress are firm but it is stronger language and therefore I want to vote for it.

Mr. CONTE. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I want to compliment the gentleman from Alabama and associate myself with his remarks. I want to clarify the fact that, should we adopt this language, it will indicate the strong sense of Congress that the United States must provide for a strong and viable Israel.

Mr. BUCHANAN. The gentleman is absolutely correct.

Mr. GROSS. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Iowa.

Mr. GROSS. Speaking of terrorists, it seems to me you are overlooking a place where they have a great number of them, namely, Ireland.

Mr. YATES. Will the gentleman yield to me?

Mr. BUCHANAN. I yield to the gentleman.

Mr. YATES. Under the language presently written in the bill there is no obligation on the part of the President to make any money available to Israel. Under the language of the Pucinski amendment there is no obligation, either, on the President except it is more firm.

What the Pucinski language does is to say that if this money is to be available, it shall go to Israel. On the other hand, if you use the language of the bill, the President will have a choice of whether to use that money for Israel or some other nation. I support the Pucinski amendment.

Mr. PASSMAN. Will the gentleman yield for a clarification?

Mr. BUCHANAN. I yield to the gentleman.

Mr. PASSMAN. Let us put it in the proper perspective both on the military credit sales and supporting assistance. If you put stronger language in the bill with regard to the \$300 million for military credit sales and Israel found out they wanted to purchase only \$210 million worth of planes, then you are going to lose \$90 million. Under the present language you can fund it up to \$300 million, if it is needed, but if you pass this language in the amendment, you are making it mandatory to set it aside. If you find out later that they need only \$210 million worth, then the administration cannot spend the other \$90 million.

We handled it this way in the past, and Mr. YATES, I see, agrees with me completely.

Mr. BUCHANAN. I will say to the gentleman that such a development might

save the taxpayers some money. If Israel should not need it, let it be saved. I am confident, however, Israel will need this help, and should have it.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I thank the gentleman for yielding.

I offered this amendment originally. I did not think it was a great big deal, but that it would be good to have the same language this year as last. But the more the objections heat up against it, the more concerned I am as to what on earth is the reason for not putting in the stronger language.

The gentleman said that the President does not have to allocate. All right. He does not have to. But what is the harm in the language? It is merely an expression of opinion. Why should we not put it in there?

I think the fact that the chairman and the minority leader do not want to put it in here indicates there must be something here I do not know about and many of the rest of us do not know about.

Mr. BUCHANAN. Mr. Chairman, I refuse to yield further.

May I simply say this: that it is beyond question that the distinguished minority leader supports this money for Israel. His record is clear, as is that of the President.

I do want the record to show and the bill to reflect that we supported and voted for the strongest possible language in this body. I therefore urge support for the substitute and the amendment.

Mr. DOW. Mr. Chairman, I ask unanimous consent that the clerk reread the substitute amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The clerk will reread the amendment offered by the gentleman from Illinois (Mr. PUCINSKI) as a substitute for the amendment offered by the gentleman from Maryland (Mr. LONG).

The Clerk reread the substitute amendment.

Mr. DOW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had intended to offer this amendment. I had it drafted yesterday. I would like to suggest that the gentleman from Illinois (Mr. PUCINSKI) perfect his amendment by striking out the word "may" following the sum of "\$50,000,000," and in that case I think the amendment will be in the shape that the gentleman intends.

Mr. YATES. If the gentleman will yield, the gentleman already has; the word "shall" is in there.

Mr. DOW. No, the word "may" is there.

The CHAIRMAN. Does any Member desire to make a unanimous-consent request to modify the substitute amendment?

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. DOW. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Chairman, I believe the gentleman from New York will

find, on reading the amendment, that we substituted the language, "not less than \$50,000,000 shall." That is the language we are putting in.

Mr. YATES. If the gentleman will yield, the gentleman from Illinois did not strike "may."

Mr. PUCINSKI. All right; I will accept the modification.

Mr. LONG of Maryland. Mr. Chairman, I am not sure at this point just what the language is.

The CHAIRMAN. The Chair will state that the gentleman from New York has the floor.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. DOW. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I should like to know, as the author of the original amendment, as to where the amendment stands now at the present time, because it would appear that we have a Pucinski substitute amendment to the Long of Maryland amendment, and now we have a Dow amendment.

The CHAIRMAN. If the gentleman will permit the Chair to interject, the Chair will state that the substitute amendment at the desk is as just reread by the Clerk. The Clerk read the amendment offered as a substitute by the gentleman from Illinois (Mr. PUCINSKI) to the amendment offered by the gentleman from Maryland (Mr. LONG).

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. DOW. I yield to the distinguished chairman of the Subcommittee on Appropriations.

Mr. PASSMAN. Mr. Chairman, I thank the gentleman for yielding, and I merely wish to suggest that we certainly have demonstrated one thing here very clearly, and that is the situation is confused. No one seems to know what the amendment is all about. So I say, let us vote the amendment down, and you can rest assured that Israel will be taken care of by the Congress. Let us not kid ourselves. Let us vote the amendment down.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from Illinois (Mr. PUCINSKI) as a substitute for the amendment offered by the gentleman from Maryland (Mr. LONG) be modified so that it will read:

On page 6, line 14, strike out the words "up to \$50,000,000 may", and insert in lieu thereof "not less than \$50,000,000 shall".

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, I rise in objection not about the proposal made by the gentleman from Florida (Mr. GIBBONS), but I do object to the comment that was made by my dear friend, the gentleman from Louisiana (Mr. PASSMAN) when he characterized all of us as confused. I think the confusion exists among those who have been trying to beat each other over the head with certain language, or certain dollars.

This confusion is only among those who have done this or done that on this amendment on its several variations, so please do not include the rest of us.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield, the gentleman is correct. I stand corrected. There are only several Members that are confused.

Mr. GERALD R. FORD. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida (Mr. GIBBONS)?

There was no objection.

Mr. VANIK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Pucinski substitute to the Long amendment. For too long we have disregarded the outflow of American capital. This is a grave American illness—for jobs are known to follow the flow of capital.

I want to also say that this language is imperative because we have before the Committee on Ways and Means, as you know, a proposal which has been offered by the administration which provides for a ceiling limitation of \$250 billion on spending. Never before, in my legislative experience, has such a blanket authority been requested by any President.

What this does is to give the President the right to cut everything and anything. He can cut social security. Or he can cut veterans' pensions. He can cut anything.

I think in the light of these circumstances and the possibilities that exist of that kind of legislative restriction which may be placed on the books, I think it is absolutely imperative that this amendment say what it says in the strongest possible terms.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman.

Mr. PUCINSKI. Mr. Chairman, I listened with some interest to the remarks of the distinguished chairman of the subcommittee about somebody being confused. Perhaps the chairman was confused. But I am sure there is no confusion on the part of the author of this amendment because this amendment gives us an opportunity to express a sincere desire by this Congress in support of the people of Israel and their government who are now going through perhaps their most tragic moment in history with a whole new form of terrorism being exploded all over the world against these brave and gallant people.

Mr. Chairman, there is no confusion on that.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Illinois (Mr. PUCINSKI) as a substitute for the amendment offered by the gentleman from Maryland (Mr. LONG).

The substitute amendment, as modified, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG), as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Overseas Private Investment Corporation, reserves: For expenses authorized by section 235(f), \$42,500,000, to remain available until expended.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 7, line 6, after the word "235(f)", strike out "\$42,500,000" and insert in lieu thereof "\$12,500,000."

Mr. LONG of Maryland. Mr. Chairman, my amendment cuts the appropriation from \$42,500,000 to \$12,500,000, which was the appropriation last year.

The Overseas Private Investment Corporation and its predecessors were set up as an insurance corporation 24 years ago to encourage corporations to invest overseas—and have they taken advantage of it?

We have had the export of capital needed to modernize our own workshops. We have had the export of jobs, since the U.S. Overseas Investment produces goods which is sent back and which undersells United States goods.

We have had the decline of the value of the dollar on the world exchanges.

Present insurance claims pending are \$215.5 million of which \$192.8 million are alone in Chile—\$92,000,000 of this is for the telephone company that was nationalized—the ITT that we hear so much about, and I believe a very large piece of change went to a campaign committee of a certain candidate for Congress. \$100,000,000 for Anaconda Copper—for copper companies including Anaconda and Canco.

The total overseas reserves of OPIC are \$133.4 million. The maximum contingent liability of OPIC is over \$3,000,000.

CONCLUSION

What started out to be a contributory insurance system under which firms would pay for their own insurance has become a Treasury raid by big United States and foreign conglomerates—like the ITT—and this is only the beginning.

Now is the time to stop them. This is a subsidy—an export of the Nation's capital, to say nothing of a campaign contributions subsidy.

I will quote at this time my friend and Chairman, to Mr. MILLS and Dr. John S. Hannah, Chairman of OPIC:

If you people have such a good operation, why don't you operate on your own profits? Why do you want to come to the Congress for this fantastically high annual appropriation?

Let us take Mr. PASSMAN at his word and OPIC at its word and cut this appropriation down to last year's amount. I believe my friend, the gentleman from Florida, has an even stronger amendment later to come, but I really feel very strongly that this item should be strongly cut.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment. I question whether there is a Member of Congress that has any less love for an agency than I have for the Overseas Private Investment Corporation, but we have to be realistic. We created this agency or its

predecessor some 20 years ago to insure U.S. overseas investments. Of course, they charge a substantial premium on this insurance, and so as to create a reserve, the Congress has made annual appropriations to this account.

Mr. Chairman, these people pleaded with us for the entire \$85 million. The facts are they might need the entire \$85 million.

Let me read from the report so that the Members will know that we are approaching this thing properly. Page 26, Budget request: \$85 million. We recommend \$42,500,000. I quote about the fourth paragraph down:

The Corporation presently estimates that the maximum contingent liability facing OPIC as of June 30, 1972, approximates \$2.3 billion. The present insurance claims pending as of the same date are estimated to total \$215.5 million, of which \$192.8 million is attributed to Chile alone. In addition, it is estimated that about \$93.3 billion in potential claims could be presented to OPIC for processing.

We have to meet these claims. In the very near future, they may have to have a supplemental appropriation; but, if we get this cat too fat, the Members will understand it will make it more difficult for these people to adjust these claims.

I think this law should be tightened up, but in all fairness to Mr. MILLS, the president of OPIC, he is doing a great job. He is streamlining the organization. He is moving with great caution as to guaranteeing additional investments abroad. So I think that we should provide the \$42,500,000, and then get the legislative committee next year to tighten up this legislation and have stricter guidelines by which OPIC should operate.

Mr. SHRIVER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Chairman, I thank the gentleman for yielding. I want to concur in the remarks he made and state that we did make substantial reductions by cutting the request by half. It is more than likely that by the end of the year in order to comply with a need they will have to have a supplemental.

I would call to the attention of the Members that we found out during the hearings that most of the other trading countries have similar organizations to our OPIC. The United Kingdom has their Commonwealth Development Corporation with over \$500 million invested. France has its organization, and Japan has a large overseas economic cooperation fund, and Germany has, and Denmark has, and the Netherlands has. If we are going to compete with the countries of the world in making sure that our products are being used and sold and that our exports are being taken into other countries to reduce our balance-of-payments problem, we need an organization such as OPIC. I would emphasize that OPIC operates in the underdeveloped countries.

Mr. Chairman, it is doing a good job and I especially would like to concur in the fact that the present leadership of OPIC is especially well qualified and is doing an excellent job.

Mr. PASSMAN. Incidentally they are doing an excellent job now.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I support the gentleman in the well. I hope this amendment does not prevail.

I understand OPIC has developed over \$4 billion of investment in these countries. The countries the United States is interested in in Asia and Africa and South America represent half the population of the world. These are new markets. If we prevail in these countries it is going to markedly improve our balance-of-payments situation in the future.

Mr. Chairman, I hope the amendment is defeated.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent, Mr. PASSMAN was allowed to proceed for 3 additional minutes.)

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I would like to know what hazards other than expropriation of U.S. properties is covered by the insurance program?

Mr. PASSMAN. Under the charter OPIC can also make loans. They are making some loans with the OPIC account. I never liked that because we have 15 agencies of the Government making loans. I thought these people ought to stay in the insurance business, but Congress in its wisdom authorized these people to make loans. They are making loans. This committee has no veto power over the Congress, so when Congress authorizes these agencies and gives them authority, then our committee has to fund them.

Mr. ICHORD. My question is limited to the insurance coverage, to the coverage of the insurance program. What hazards are covered other than expropriation?

Mr. PASSMAN. For instance the maneuvering of the currency. One can maneuver currency and break a man as quickly as one could with expropriation. Or in times of war there could be a complete loss. There is quite a list of things. They can take part of it or only part of it and they can insure only partially.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I would like to inquire whether or not under present law OPIC has authority to make such contracts of guaranty in the Soviet Union?

Mr. PASSMAN. There is no type of aid to the Soviet Union that I know of.

Mr. VANIK. Right now a great body of American businessmen are considering making considerable investments in the Soviet Union with plants and equipment. This is a very important question that I think we ought to have an answer to before we give OPIC a blanket authority to do something.

Mr. PASSMAN. Let me assure the gentleman as far as I know they are not

presently insuring any loans in Russia and they do not have any plans to do so. I cannot speak too far into the future.

Mr. VANIK. I have one additional question. In going over the financial statements of the American corporations in the list earlier this year, there was an express statement made in the ITT financial report for 1971, that this one corporation was going to receive over \$80 million from the Overseas Investment Corporation.

The CHAIRMAN. The gentleman may revise and extend his remarks.

Mr. PASSMAN. I think they are going to be very cautious about over-extending credit now because they have so many claims pending. They are being extremely cautious. I can provide the information to the gentleman or he can call the President of OPIC.

Mr. VANIK. I will see that the full information is included.

Mr. PASSMAN. I trust this amendment will be voted down.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I do not think it was ever contemplated, as the chairman of the subcommittee, Mr. PASSMAN indicated, that the Overseas Private Investment Corporation make loans. It was designed to provide insurance for American investments abroad. In reading the hearings I learned, for instance that this outfit made a loan to a bankrupt motorcycle outfit in California which is now producing motorcycles in Taiwan with foreign labor and selling in this country. They have also made a loan to an investment corporation in Panama where the head of that government recently seized a public utility owned by citizens of the United States.

What kind of business is this?

Mr. PASSMAN. Will the gentleman yield?

Mr. GROSS. Please give me some answers.

Mr. PASSMAN. Yes, I will. I objected strenuously to this system of OPIC making loans, but the Congress did not see it that way. They passed an authorization giving them the right to make loans. That is why we have been riding herd on this organization for many, many years. We have given them only about 20 percent of their request. This year, we have cut them in half. They asked \$85 million; we gave them \$42,500,000.

I hope the gentleman will pursue this thought and go to the legislative committees and take these people out of the money-lending business and put them back entirely in the insurance business. I do not quarrel with the gentleman's view at all.

Mr. GROSS. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I want to reiterate that the gentleman from Louisiana and the committee have not cut one nickel from this bill. All they have cut is a lot of money from an asking price. The bill is a lot higher than last year. This is three times; almost four times what it was last year.

Let me give you another little gem brought out in the hearings concerning OPIC. They laid off or reinsured quite a bit of this stuff with Lloyds. Lloyds, of

course, is merely a broker for a lot of other companies all over the place.

We tried to find out in the hearings whether the people who laid this insurance off, or this reinsurance, had the reserves to cover the losses if they occur; for example, if Chile should completely go out, and these other countries, and it turns out that most of them do not have the reserves. That is a small part.

Nevertheless, we are paying them fees, and we are getting pseudo insurance or reinsurance in exchange. I think this is the phoniest bill we have ever had.

Mr. GROSS. I do not know how much they are lending.

Mr. PASSMAN. Will the gentleman yield for clarification?

Mr. GROSS. I yield.

Mr. PASSMAN. I have no quarrel with the gentleman's position as far as OPIC reinsuring. I do not like it any better than you do, but remember, we have \$215 million in claims pending.

Notwithstanding, we did cut them. I do not think it is quite proper to say of the Director of the Budget that he deals unfairly with this committee only, and he is honest and forthright with the other 11, and overstates the needs. I am not going to indict all the public officers downtown.

I do not like OPIC any better than you do. I want to see it get back into the insurance business, but I think we are going to have to settle these claims.

Mr. Chairman, I hope this amendment is voted down.

Mr. GROSS. Let me say to the gentleman and members of the committee, we are doing some mighty weird things these days.

The Federal Deposit Insurance Corporation was never designed as a loan outfit to compete with commercial banks, yet it is making loans. It has made a loan commitment of \$50 million to a Michigan bank, and there are others.

Mr. PASSMAN. Will the gentleman yield?

Mr. GROSS. This kind of business has got to be stopped. They are either insurance companies or loan institutions. They should not be both.

Mr. PASSMAN. Will the gentleman yield again?

Mr. GROSS. Yes, I yield.

Mr. PASSMAN. The gentleman realizes, of course, that these claims now have been presented. All of these companies who made these investments abroad paid their insurance premiums. We have an obligation; we are going to have to meet it. I hope the amendment is voted down.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

The Chairman, I rise in opposition because, of all the agencies for which funds are provided in the bill, this is one of the finest. I think there are serious misconceptions here which must be cleared up. I direct the attention of my colleagues to the hearings, part I, page 560:

This is a point, not widely recognized, which bears directly on the reserve appropriation request of \$85 million before you today. OPIC and its predecessor agencies have earned more than \$140 million in insurance fees paid by investors, against only about \$4 million in insurance claims paid, net of recoveries.

I believe that is a very significant fact.

The Congress diverted \$50 million of these earnings to the AID housing guaranty program when OPIC was established as a separate corporation. The Congress also rescinded \$200 million in Treasury notes in fiscal 1968. Up until 1970, the administrator of the insurance and guaranty programs was not allowed to invest fee income in U.S. Government securities; we are still unable to invest appropriated portions of reserves.

In answer to the gentleman from Ohio (Mr. VANIK) regarding his claim with respect to ITT, I quote from page 563 of the same hearings:

To date we have paid only one Chile claim. This was on inconvertibility coverage to Ford Motor Co. The amount was \$910,885. Most of this was recovered by OPIC through the sale (for U.S. Embassy use) of the escudos of the Chilean Government did not allow Ford to convert.

To quote further:

About two-thirds of our total liabilities in Chile are in two expropriations; namely, Kennecott and I.T.T. The Chilean authorities and I.T.T. continue to talk about how a settlement might be negotiated.

In regard to the question of loans, here on the same page 563, I direct the attention of my colleagues to the second from the last paragraph, which says:

Income from guarantees of private loans issued by OPIC in fiscal year 1973 is estimated at \$2.9 million, compared to \$2 million in fiscal year 1972 and \$1.7 million in fiscal year 1971. This program enables institutional investors such as insurance companies, pension funds, and credit unions to participate in overseas development projects, many of which also involve smaller and medium-size investors. It is a way to place increased reliance on the private sector in international development.

And listen to this:

Income from direct loan investments from OPIC's capital fund will total an estimated \$1 million in fiscal year 1973, ten times the estimated \$100,000 earned by this new program in fiscal year 1972.

I ask, "What do you want to do? Kill a profitable venture?"

There are a lot of things in foreign aid which are just like pouring corn down a rat hole, but this is a program making money which could increase our balance of payments and could help the United States with respect to some of these developing countries.

I say we are attacking the wrong program.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the chairman of the subcommittee.

Mr. PASSMAN. I thank the distinguished gentleman for his contribution. I certainly agree with him, though we may disagree in thought. I wonder if he agrees with me that the mistakes made have mostly been in the past, and under the new management we have an excellent board which is riding herd on these commitments. The program is being streamlined and they are being very conscientious, and are not running into some of the troubles we have had in the past.

We have to give him an opportunity to work it out. We have to pay these

claims, and if it takes a supplemental we will have to provide it. It is under excellent management now.

Mr. CONTE. The gentleman from Louisiana is absolutely right. He is running a tight and taut ship and we should not penalize him for doing that.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Would the gentleman answer the question I asked the chairman before, when he said to Mr. Mills, the president of OPIC:

If you people have such a good operation why don't you operate on your own profits? Why do you want to come to Congress for this fantastically high appropriation?

(By unanimous consent, the gentleman from Massachusetts (Mr. CONTE) was recognized for 1 additional minute.)

Mr. CONTE. Mr. Chairman, I pointed out on page 560 that this money which they accumulated had been diverted to other aid programs. This is unfortunate. If they had been allowed to keep all the money they made as a result of these insurance and loan programs, I believe they would not have had to come to the Congress.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will be glad to yield to the gentleman.

Mr. VANIK. A few moments ago I talked about the ITT financial report for 1971. It specifically stated they expected to get \$89,568,000 from OPIC.

OPIC officials have denied making any award, but it seems to me that it is going to require tremendous amount of general funding by the taxpayers to make up the losses. I think we ought to stop and see where we are going. I am very much concerned with the open ended, uncontrollable expenditures of government over which we have no control.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The question was taken; and on a division—demanded by Mr. LONG of Maryland—there were—ayes 12, noes 31.

So the amendment was rejected.

Mr. LONG of Maryland. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. LONG of Maryland. Mr. Chairman, upon advice of counsel, I withdraw the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 110. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to finance the procurement of iron and steel products for use in Vietnam containing any component acquired by the producer of the commodity, in the form in which imported into the country of production, from sources other than the United States.

AMENDMENT OFFERED BY MR. GIBBONS

Mr. GIBBONS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIBBONS: Page 11, immediately after line 2, insert the following:

"SEC. 111. None of the funds appropriated by this Act for carrying out the Foreign Assistance Act of 1961 shall be used to discharge liabilities under insurance or guaranties issued by the overseas private investment corporation after the date of enactment of this Act."

And renumber the following sections accordingly.

Mr. GIBBONS. Mr. Chairman, this amendment deals with OPIC, a subject which we have just been discussing.

This amendment does not attempt to reduce the appropriation. I would agree with the gentleman from Louisiana, the chairman of the subcommittee, that we have not seen the end of the road in the money that we must put up in the OPIC corporation to finish paying for the investments we have already guaranteed and already insured, but what this amendment seeks to do is to put an end to using taxpayer money to guarantee or insure future foreign investments—the outflow of capital from this country.

Mr. Chairman, I regret that the hour is late and the attendance on the floor is so poor right now, because this is a very important matter; it is one that the Congress must focus its attention upon.

There has been a great deal of change in the world since we developed OPIC. When we went out to rebuild the world after World War II the rest of the world was devastated and we were very prosperous. That condition has changed. Those areas are now prosperous themselves.

As I said, after the end of World War II we were the prosperous nation and everyone else was prostrate. That condition has changed. We are not prostrate, but most of these nations are now able to take care of themselves.

As a deliberate U.S. policy we then decided it would be good to send U.S. capital overseas to help build up these countries and build their factories and make them more productive and create jobs over there.

That time, gentlemen, is over. All of you know for the last 20 years we have had a chronic balance-of-payments deficit. In the last 4 years we have had a disastrous turnaround in our balance of trade.

That is what this is aimed at. I do not believe we should penalize American capital and tell it that it cannot go overseas, but I do not believe we ought to use the American taxpayers' money to subsidize the sending of U.S. capital overseas. That is what my amendment seeks to stop and cut off, not retroactively but in the future.

When this bill becomes law, Mr. Chairman, none of the money appropriated in this bill can be used to guarantee or to insure future investments overseas. It is just a sound business proposition. We need to do it.

I am on the Committee on Ways and Means, as most of you know. As they jokingly say over there, I am the last of the free traders.

But I am not a fool, Mr. Chairman. I know that the time has come to change and change our policy, and I am trying

to do it in a sound and constructive way. I want to cut off the subsidizing and sending of U.S. capital overseas.

That subsidizing and sending of U.S. capital overseas has a tendency to drag jobs over there and to return to this country excessive imports. We need to save our capital and continue building up our country. We have a responsibility to carry out overseas, but we should not be using our U.S. capital now to do it. We should not be using our taxes which we levy on people and collect involuntarily to subsidize the outflow of U.S. capital. It hurts our country to do this. We should be neutral in that respect.

I know we have a tremendous obligation which is going to come due some day in the future of contingent liabilities. The gentleman from Louisiana read correctly from the report here.

The gentleman from Louisiana pointed out correctly from the report here the contingent liability of OPIC, now, according to the report, stand about \$2.3 billion. The reserve account is about depleted, and it will be depleted further.

I did not vote for the last amendment because I thought—and I agree with the gentleman from Louisiana (Mr. PASSMAN) that it is going to take all of that \$85 million, part of which he could use to finish paying these defaulted accounts and these defaulted guaranties, and insurance policies that we have over there. But let us not go on and continue making the same mistakes. Let us call a halt to it right now. Let us change the policy that we have made, and the only way we can change that policy is to change the appropriation of these funds.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida (Mr. GIBBONS) and I now yield to the gentleman from Maryland (Mr. LONG) for a question.

Mr. LONG of Maryland. I thank the gentleman for yielding, but is the gentleman questioning me or am I questioning the gentleman?

Mr. PASSMAN. I yielded to the gentleman.

Mr. LONG of Maryland. I have not voted for one single measure that would block the flow of goods into this country providing it was a flow of goods which were produced under competitive conditions, but I wonder how the gentleman can justify a measure like this which has helped to subsidize the export—it is only a part—but it has helped to subsidize the export of \$100 billion or \$200 billion—depending upon how you look at it—of our capital that could be much better used to solve all of the problems in this country to help build up the job opportunities, and solve the job problems, the income problems, the pollution problems, the school problems, and every other problem.

Mr. PASSMAN. Mr. Chairman, this operation has been in business for 20 years. It was created for the purpose of insuring overseas investments. It was given a new name 2 or 3 years ago when they broadened its authority.

I guess that I have actually been more critical in my examination of OPIC than of almost any other program that is presented to our subcommittee, but, as I have stated earlier, we have a new management; they are doing an excellent job, they are extremely cautious now because we have been so critical of them.

If it is the wish of the Congress not to have an agency to guarantee overseas investments, then we should do it through regular legislation. We should abolish OPIC, give it a decent burial, notify the people that after this year there will be no more OPIC. I think this amendment would be extremely destructive because in all probability there are several hundred applications at this time that are partially completed, and are on the desk of OPIC. No doubt some of these people have standby insurance, started plants overseas, and you just cannot cut off the funds in this manner.

I want to commend the gentleman from Florida for bringing up a very worthy thought, but I think that this is the wrong time and the wrong place to offer the amendment. It ought to be offered to the proper legislative committee, notify them in advance to bring a bill out next year that will abolish OPIC. But let us do it in an orderly manner, and not approach it in a destructive manner, and in a destructive way, especially in view of the fact that it is doing an excellent job. They have a going organization set up and doing business, and there are applications on the desks waiting to be approved.

So I hope that this amendment will be voted down.

As I say, if it is the wish of the House to kill OPIC, then let us do it in the correct legislative manner.

Mr. SHRIVER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Chairman, I want to concur in the position stated by the gentleman from Louisiana (Mr. PASSMAN) our chairman of the subcommittee, because this certainly would change the substantive law, and eliminate completely the program—a program that the Committee on Foreign Affairs has spent a long, long time in developing, and which we have had for many, many years and which we changed about 16 months ago.

They are doing the same thing that they have done before, only they are doing a better job of it.

I want to repeat again, as I have said earlier, that every trading country has some similar investment corporation to assist their exporters.

Mr. PASSMAN. That is true.

Mr. SHRIVER. To assist their manufacturers, and to assist their balance of payments policy.

Mr. PASSMAN. That is absolutely true.

I hope the committee will vote down this amendment that the gentleman offers. He is a very, very fine man but to my way of thinking, it is very destructive.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. BURKE of Massachusetts. Mr. Chairman, I have known the gentleman for many, many years. I have been here for 14 years and I will always consider the gentleman a rather prudent and sound man in his judgment. But he seems to have taken a 180-degree turn on this foreign aid matter.

This amendment, which my friend, the gentleman from Florida, has offered here today is a very mild amendment.

I have a bill before the Committee on Ways and Means known as the Burke-Hartke bill, and action like yours is going to force that bill out on this floor next year.

This is just a mild approach to try to stop the imbalance of payments and the imbalance in trade. We had a \$3,700,000,000 deficit in trade last year and it is possible that we are going to have a \$6 billion or \$7 billion trade deficit this year and another devaluation of the dollar overseas.

I would hope that the gentleman here, the gentleman from Louisiana, would show some statesmanship and at least accept this mild amendment that will just plug up the hole a little bit—not too much, but a little bit.

Mr. PASSMAN. Let me say this. This is one of the most destructive amendments ever offered. What you are talking of here is the abolition of a program which has been in business for 20 years. Practically every trade nation has a similar agency. If you do not like it, take it up with the legislative committees. This is not the place where you should just kill an agency.

Mr. Chairman, I hope the amendment is voted down.

Mr. PUCINSKI. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I think this is an excellent opportunity for this House to get behind the working men and women in this country. I do not see how anyone could oppose this amendment in view of what the Secretary of Commerce, Mr. Petersen, said yesterday when he pointed out that the balance-of-payment deficit is continuing to grow. There is no relief in sight. We have chalked up a \$20.5 billion trade deficit in the last 6 years and the gentleman from Massachusetts just said that this year's deficit alone can exceed \$6 billion.

All that this amendment does is that if American companies want to invest in foreign countries and take the risk of that investment, they cannot seek any relief under this program that we are voting today to insure their gamble. It does not say that they cannot gamble, but it says that the taxpayers are not going to cover their bets, if they make a bad decision.

One of the reasons why we have 6 million people unemployed in this country today is because of the exportation of jobs. That has been going on for the last few years. But more and more companies are moving into foreign lands establishing their jobs there.

If you look at France today and see the number of American companies lo-

osing business there and destroying American jobs here at home, you then see the wisdom of the amendment that the gentleman from Florida is offering.

All he is saying is—let us not use the taxpayers' money to insure these ventures that American corporations are engaging in in foreign markets and destroying American jobs.

It would be my hope that in this present crisis of balance of payments that this House would register and record its concern by joining the gentleman from Florida in his amendment.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman.

Mr. GIBBONS. Mr. Chairman, let me explain my amendment a little bit because the gentleman from Louisiana did not thoroughly understand it.

My amendment does not destroy OPIC. My amendment just says that you cannot use the taxpayers' money in a private corporation to insure this investment.

Now that OPIC Corp. will continue to function and it will still continue to collect premiums from people who are seeking to have these private investments insured and guaranteed—but you are just not going to take the taxpayers' money and further subsidize that. That is all we are trying to stop. I am not trying to destroy OPIC, but I am very truthful in my belief that it is time for us to change our policy.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Would the gentleman agree that one reason why we are seeing this enormous exportation of American jobs—and this is happening all over the country; no one area is hard hit by this; every community is hit by this exportation of American jobs—is we have got this taxpayers' insurance program? What have they got to lose? All the gentleman is saying is if they want to take that risk, fine, but do it with their own money, at least. Does the gentleman expect the American taxpayer to cover these losses where there is a loss that occurs? I submit if we go along with this amendment, we will have made an enormous contribution toward getting some of these big corporations to stay here at home and get our own country's economy going.

We have got a \$30 billion deficit this year simply because 30 percent of our working capacity in America is lying idle. They are not working; yet these companies are growing like mushrooms after a rain all over Europe with American-taxpayer dollars.

I think the gentleman has made a very significant contribution here today with this amendment.

Mr. DENT. I want to join the gentleman from Illinois in his remarks. I want to remind all of the Members that if tomorrow we were to stop all of the exportation of goods and all of the importation of goods into the United States, the existing factories in this country would not produce the needs of this Na-

tion. The U.S. Government has for the first time in my last 20 years of experience decided that right now we are at the mercy of the rest of the world in the most strategic materials that we need for not only the existence of the Nation but for the prosecution of any defense of this Nation.

Mr. McEWEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. Let me say at the outset that I find the arguments made by my friends from Illinois are moving. We are all concerned about the loss of jobs in America, but without the Government participation in OPIC, as the gentleman from Ohio (Mr. SAXBE) has referred to the potential liabilities of OPIC, and they are significant, we might by this amendment jeopardize the existence of OPIC.

There was a recent article in the Wall Street Journal on one of our companies' dissatisfaction with the amount of money it received from OPIC on the expropriation of their property in Chile. I understand the motive of my dear friend from Florida in offering this amendment, but what it would do would not only affect what we are speaking of in the exporting of jobs, but it would stop the investments that bring in the raw materials that are needed for jobs in this country.

In Chile, for example, we know that the principal cases we hear about there involve mines. Now, certainly those were not exported jobs. These were materials that we needed, that we could bring into this country. In the I. T. & T. case, we have telephones in Chile, telephones I am sure the record would show were made in America, and exported down there and installed in that country.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Florida.

Mr. GIBBONS. The mines we are talking about in Chile are not the kind of things that can now be insured. Substantive legislative action a few years ago prohibited OPIC from engaging, as shown on page 26 of the report, in loans for mining and in the extractive operations, so we could still get their raw materials. We have the kind of things that the gentleman from Louisiana has talked about, and Mr. SHRIVER has talked about. We have the Export-Import Bank, and all of those other things that are needed to support our export industry.

What I am trying to do here is cut out the taxpayers subsidy of capital going overseas. I am trying to be neutral. I am not trying to penalize capital; I am trying to be very evenhanded about the whole thing. I am not trying to help hurt our trade balance; I am not trying to hurt our ability to get raw materials; but I am trying to stop the positive policy of subsidizing the export of the capital that we strive so hard to build up.

Mr. McEWEN. Mr. Chairman, I would say to the gentleman, if he is right, and he may be, I do not think as it has been said before, that this is the time or the place in this appropriation bill to take this up. This is a matter that should be considered and should have extensive hearings in the legislative committee.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to my chairman.

Mr. PASSMAN. Mr. Chairman, I thank the gentleman for yielding. I am certainly prepared to consider legislation to abolish OPIC. It was created by the Congress and has been operating for 20 years. If we want to abolish it, then we should introduce legislation. In all probability we would not abolish it. But this was created primarily for the overseas investments. We cannot just come along and abolish an agency, because of a small percentage of loans. It was created to provide insurance. This is in the original legislation. In section 248, entitled "Report to the Congress," it says:

Reports to the Congress.—(a) After the end of each fiscal year, the Corporation shall submit to the Congress a complete and detailed report of its operations during such fiscal year.

(b) Not later than March 1, 1974, the Corporation shall submit to the Congress an analysis of the possibilities of transferring all or part of its activities to private United States citizens, corporations, or other associations.

We are only 17 months away from having them submit a proposition to have it transferred. I think since we have had this program for 20 years and they have so many applications pending, we should not eliminate the program in an appropriation bill. I hope on that basis and on the basis of sound argument the Members will vote this amendment down.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, there is a historic event taking place today with the gentleman from Florida offering this amendment. He is known as a "free trader" and he is coming in with a very mild amendment which does not contain all the things the chairman of the committee has said.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is really unfortunate. I am sorry that the people in charge of this program have not done a better job in preparing some of the Members with some of the information on this subject, but if the Members of this House will read the RECORD and read the hearings they will place this in proper perspective. There is a red herring being dragged over this issue. If amendment was going to help American jobs I would be 100 percent for the amendment, but I suggest the Members read page 565 of the hearings. This is from the head of the agency who says:

Our programs help reduce the risks of private investment in developing nations, making them more competitive with Europe and Japan as sites of production and markets for our industry. The evidence is rapidly piling up that overseas investments contribute to employment at home and substantially assist our balance of trade and payments. A study directed by Robert Stobaugh, of Harvard University, recently estimated that some 600,000 jobs in the United States exist because of U.S. direct foreign investment in manufacturing alone. Peter Peterson now Secretary of Commerce, estimates that 78

percent of the sales of U.S. manufacturing affiliates abroad are made locally, 14 percent to third countries, and only 8 percent are exported to the United States. The 8 percent figure shrinks to less than 5 percent when one omits imports of cars from Canada under the United States-Canadian auto agreement.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Chairman, is that the same Peter Peterson who was formerly president of Bell & Howell which has plants all over the world.

Mr. CONTE. Mr. Chairman, that is the Secretary of Commerce.

On page 558, again at the top of that page, it says:

OPIC is also helping the United States by assisting in the economic development of countries of Asia, Africa, and Latin America.

Note, it is not Europe. It is not Japan.

Over half of the world's people live in these countries. They are the great selling places of tomorrow, a potential already being realized today in those which have experienced rapid economic growth in the past decade.

Our private investments in these countries not only build U.S. export markets for the future; they are essential to maintain a competitive position for U.S. companies in present markets or to produce competitively for international sales.

Many of the known reserves of industrial minerals and important sources of other critical materials are to be found in the presently less-developed nations. U.S. private investment expands production of these materials needed by U.S. domestic industry.

Mr. VANIK. One of the things which concerns me is that every day I read the financial papers and I am astounded by another tremendous American investment, not in the underdeveloped countries; not in Latin America, but investments in Japan and in Europe.

Now, in just the past year there have been hundreds of millions of American dollars provided by the American automobile industry to buy into Japanese industry. This is precisely what is going on.

Mr. CONTE. I agree. The gentleman and I agree. We are not apart on this thing.

Mr. VANIK. OPIC guarantees that.

Mr. CONTE. OPIC guarantees loans in developing nations and only in developing nations. That is what I say, there is a red herring being dragged over this issue.

I agree with you, and I would be over here fighting for the gentleman from Florida's amendment if it was in Japan and if it was in Europe.

Mr. VANIK. Well, excepting that the original money gets in Japan and is transferred to another country.

Mr. CONTE. Give me that again.

Mr. VANIK. If the investment is made, the capital is transferred to Japan and then reinvested.

Mr. CONTE. No, this is going to countries in Africa which desperately need it; countries in Latin America; countries in Asia, that is what we are talking about.

I hope the amendment is defeated.

Mr. HALEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, and Members of the House, eventually the chickens come

home to roost. You have been exporting jobs to foreign countries; you have been robbing the taxpayers of the United States for 20-some-odd years. The thing is finally catching up with you, and now you do not like the situation, because you have built plants in Japan; you have given most anyone who wanted to take the taxpayers' money something, so you have taken the jobs away from the people of the United States by this program.

Some of these days, the roof is going to fall in on you, if it has not already.

Mr. GIBBONS. Will the gentleman yield?

Let me say what my amendment does not do. I appreciate the gentleman yielding to me again, but I am not abolishing OPIC. I am just saying that OPIC should use the funds it generates within its own business; the funds it generates in its own investments, the people who seek insurance, to go out and get their work done.

I am asking our Government to be neutral in this matter of exportation of capital. That is all I am asking. OPIC will continue to go on and perhaps it should go on. It has certainly gone a long time to liquidate a lot of investments that have been made. They have transported capital out of the United States, so I think this is a very modest amendment, a very mild amendment, a very constructive amendment.

Mr. PUCINSKI. I think that the really depressed area of the world today is right here in our country. Maybe the time has come to start thinking about our own country.

It is no surprise that the stock market acts the way it does. They see the future. There are some pretty grim predictions lying ahead economically.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Pennsylvania.

Mr. DENT. I should like to give a few facts. The gentleman from Massachusetts is making the same speech we have heard for 30 years.

Just to show how much the increase in our exports is on these things Mr. Peterson and others have said we should do and have done, in 1960 imports were \$16.2 billion, and the imports into the United States, the rate at June 30, 1972, are \$53.8 billion.

So all of these efforts we have made somehow or other do not come out at the top like they start at the bottom.

Somewhere along the line, whether Members think any more today of what I say than they have in the past 15 years, the facts are here to see. The gentleman from Florida said it as plainly and as properly as it can be said. The chickens have come home to roost.

I just saw the latest import from Japan. It ought not even be allowed on the road. It is 6 feet, 6 $\frac{1}{10}$ inches long, carries four passengers, sells for \$1,400, has a two-cylinder motor in it, and it is already on the U.S. highways. It is dangerous. At less than \$1,500 they will put one on every watch chain in America within a year and a half or 2 years. Every kid in the country old enough to get a license will be driving one.

Mr. PASSMAN. Mr. Chairman, could we reach an agreement on time on this bill, say 30 minutes?

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. LONG of Maryland. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Chairman, I move that all debate on this amendment close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

The CHAIRMAN. Members will be recognized for approximately 45 seconds each.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I take this time to ask the chairman of the committee if he can tell me what the outward limit is of the contingent liability under the OPIC program? What is, under present law, the limitation on the contingent liability that may be funded by the corporation?

Mr. PASSMAN. It is \$2.3 billion.

Mr. VANIK. And how much is now committed?

Mr. PASSMAN. That is the total commitment as of this date.

Mr. VANIK. And there is no liability beyond \$2.3 billion?

Mr. PASSMAN. So far as I know. This is from the record of the certified facts. I assume that is correct.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I am concerned about jobs and I am concerned about exports. I merely said there was a red herring here being dragged across this issue.

The exports we are worried about are from Japan and from Europe and from the other developed countries. This does not affect underdeveloped countries.

I respect the opinion of my good friend from Illinois, though I differ in this issue.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Chairman, I have pointed out this is a good debate. I think this is an important amendment.

I happen to feel very strongly about these jobs after what happened in the city of Chicago. This amendment is a step toward stopping the exportation of American jobs. I am not impressed with the argument these insurance payments are made only in developing countries. These are the same companies that have plants in both European nations as well as in developing countries. I urge the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. BURKE).

(By unanimous consent, Mr. BURKE of Massachusetts and Mr. DENT yielded their time to Mr. GIBBONS).

The CHAIRMAN. The gentleman from Florida (Mr. GIBBONS) is recognized.

Mr. GIBBONS. Mr. Chairman, I appreciate this time. I do not know what I am going to do with all this time, because I have made this speech so many times.

I am going to ask for record tellers on this, because I think it is important.

I am not seeking to abolish OPIC; I am merely seeking to be very even-handed with this matter of what happens to American capital.

I believe that the policy in the past was perhaps good. We should have exported some American capital, but it has gone on too long, and the Government does not need to come in there and keep putting taxpayer money into it to make it possible to export capital. It can still be exported and guaranteed by OPIC, but it would be done as OPIC intended it to be done, as a private corporation and not as a Government-subsidized corporation.

I would hope this amendment would be adopted.

I want to expand world trade. There is nothing in this that would hurt world trade.

There is nothing in here that would hurt the American worker. This is a sound, constructive, and mild amendment; it is not a meat-ax approach to any program here. But it does say the time has passed when we can afford to use taxpayer dollars to subsidize the outflow of private capital that does have some effect in decreasing the opportunity for employment here in this country.

And that is all my amendment does. It is a very simple and straightforward amendment.

I have tried to inform everybody about it before I brought it up, and I will be willing to answer any questions anybody may have to ask about the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, I rise in support of the amendment of the gentleman from Florida (Mr. GIBBONS).

I think it is an excellent amendment. At the very least, it would be a first step toward accomplishing something we should have started to do a long time ago, and that is stop pouring out billions and billions and billions of dollars merely because—and let us face it—there are prominent campaign contributors and other power groups that think they can make more money overseas or, if they make it overseas, can keep it and escape our tax laws one way or the other. We have plenty of incentives, believe me—we have plenty of incentives—for people to take this money overseas, and we do not need this added subsidy.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. PASSMAN) to close debate on this amendment.

Mr. PASSMAN. Mr. Chairman, let us put this matter in proper perspective.

OPIC operates only in developing countries. In all probability, a very large amount of all the insurance involved is in Latin America.

If you do not like the operation, there is a way to put it out of business, but

let us do it in the right way and not pass an amendment that would completely abolish the operation of one of our Federal agencies in an appropriations bill.

I am repeating, Mr. Chairman. These guarantees only apply in developing countries, and a good part of that is in Latin America.

I hope the amendment will be voted down.

If the Members who spoke for abolishing it continue this interest, of course, they should communicate with the legislative committee and the agencies involved.

Mr. GERALD R. FORD. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. GERALD R. FORD. Mr. Chairman, I strongly agree with the gentleman from Louisiana. The amendment should be defeated.

Mr. CULVER. Mr. Chairman, I rise—with some reluctance—in opposition to this amendment. I share some of the misgivings expressed on this floor about the operations and authority of OPIC.

However, on balance, I feel that this amendment is an unwise legislative solution carried out through the appropriations process. The issues raised by the Gibbons amendment are genuine ones, and I welcome the initiative the distinguished Member from Florida has taken in bringing them to our attention. Nonetheless, the issues are not narrowly technical ones and they reach into several areas of foreign policy and our relations with other nations. Their proper consideration requires full examination and, therefore, I believe it highly important that the Foreign Affairs Committee first undertake an oversight review of the work of OPIC. From such a study we can better determine whether this amendment or a variant thereof ought to be incorporated in a subsequent appropriation or by recasting the legislation which created this Corporation.

As chairman of the Subcommittee on Foreign Economic Policy, I can assure the House that such a review ranks high in our priorities. Certainly for my own part I shall make every effort to see that the House has before it a body of recommendations by which we can responsibly legislate in this area.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Florida (Mr. GIBBONS).

The question was taken; and on a division (demanded by Mr. GIBBONS) there were—ayes 39, noes 32.

TELLER VOTE WITH CLERKS

Mr. PASSMAN. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. PASSMAN. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. DENT, McEWEN, PASSMAN, and LONG of Maryland.

The Committee divided, and the tellers reported that there were—ayes 141, noes 167, not voting 123, as follows:

[Roll No. 380]
[Recorded Teller Vote]

AYES—141

Abzug	Gray	O'Neill
Adams	Griffin	Perkins
Addabbo	Gross	Pickle
Alexander	Haley	Pike
Andrews, Ala.	Hanley	Powell
Archer	Hansen, Wash.	Price, Ill.
Ashbrook	Harrington	Pucinski
Begich	Hawkins	Quillen
Bennett	Hechler, W. Va.	Randall
Bergland	Helstoski	Rarick
Biaggi	Henderson	Reuss
Boland	Hicks, Mass.	Roberts
Brademas	Hicks, Wash.	Rodino
Brasco	Hillis	Roe
Brinkley	Howard	Rogers
Broyhill, Va.	Hull	Roncalio
Burke, Mass.	Ichord	Rostenkowski
Burleson, Tex.	Johnson, Calif.	Roush
Burton	Jones, N.C.	Roy
Carney	Jones, Tenn.	Runnels
Chisholm	Karsh	Ruth
Clancy	Kastenmeier	St Germain
Collins, Tex.	Koch	Sarbanes
Colmer	Kyros	Satterfield
Conover	Long, La.	Scherle
Crane	Long, Md.	Scheuer
Daniel, Va.	McCollister	Seiberling
Daniels, N.J.	Madden	Shipley
Davis, Ga.	Martin	Sisk
Delaney	Mathis, Ga.	Smith, Calif.
Dellums	Mazzoli	Snyder
Denholm	Miller, Ohio	Staggers
Dent	Mills, Ark.	Steed
Donohue	Minish	Stephens
Dow	Mink	Stokes
Downing	Mitchell	Stubblefield
Drinan	Mizell	Sullivan
Duncan	Mollohan	Taylor
Edwards, Calif.	Montgomery	Thone
Flood	Mosher	Tiernan
Flowers	Myers	Vanik
Fulton	Natcher	Whitten
Fuqua	Nedzi	Wydler
Gallfanakis	Nichols	Yates
Gaydos	Nix	Yatron
Gibbons	Obey	Young, Fla.
Grasso	O'Konski	Zablocki

NOES—167

Albert	Fish	Macdonald,
Anderson, Ill.	Fisher	Mass.
Arends	Foley	Mahon
Ashley	Ford, Gerald R.	Mailliard
Aspinall	Forsythe	Mallory
Barrett	Fountain	Mann
Blester	Fraser	Mathias, Calif.
Bingham	Frelinghuysen	Matsunaga
Bolling	Frenzel	Mayne
Bow	Frey	Meeds
Bray	Garmatz	Melcher
Brooks	Gettys	Michel
Broomfield	Gonzalez	Moorhead
Brotzman	Goodling	Morgan
Brown, Mich.	Green, Pa.	Moss
Brown, Ohio	Gude	Passman
Broyhill, N.C.	Hagan	Pelly
Buchanan	Halpern	Pettis
Burke, Fla.	Hamilton	Poage
Burleson, Mo.	Hammer-	Podell
Byrne, Pa.	schmidt	Preyer, N.C.
Cabell	Hanna	Price, Tex.
Caffery	Harsha	Purcell
Camp	Harvey	Quile
Carlson	Hastings	Rees
Carter	Hathaway	Rhodes
Casey, Tex.	Heckler, Mass.	Robinson, Va.
Cederberg	Heinz	Robison, N.Y.
Celler	Hogan	Rooney, Pa.
Chamberlain	Hollifield	Rosenthal
Cleveland	Horton	Roybal
Collier	Hosmer	Sandman
Conable	Hutchinson	Schneebell
Conte	Jarman	Schwengel
Corman	Johnson, Pa.	Scott
Cotter	Jones, Ala.	Shriver
Coughlin	Kazen	Sikes
Culver	Keith	Slack
Davis, Wis.	King	Smith, Iowa
de la Garza	Kyl	Smith, N.Y.
Dellenback	Landgrebe	Spence
Dennis	Latta	Stanton,
Dickinson	Lent	J. William
du Pont	Lloyd	Stanton,
Eckhardt	McCloskey	James V.
Edwards, Ala.	McEwen	Steele
Erlenborn	McFall	Steiger, Ariz.
Eshleman	McKay	Steiger, Wis.
Fasell	McKevitt	Stratton
Findley	McKinney	Stuckey

Teague, Calif.	Ware	Winn
Teague, Tex.	Whalen	Wolff
Thomson, Wis.	Whalley	Wright
Udall	White	Wylie
Van Deerlin	Whitehurst	Wyman
Vander Jagt	Whidnall	Young, Tex.
Waggonner	Williams	Zion

NOT VOTING—123

Abbott	Edmondson	Mills, Md.
Abernethy	Ellberg	Minshall
Abourezk	Esch	Monagan
Anderson, Calif.	Evans, Colo.	Murphy, Ill.
Anderson, Tenn.	Evins, Tenn.	Murphy, N.Y.
Andrews, N. Dak.	Flynt	Nelsen
Annunzio	Ford	O'Hara
Aspin	William D.	Patman
Badillo	Gallagher	Patten
Baker	Gialmo	Pepper
Baring	Goldwater	Peyser
Belcher	Green, Oreg.	Pirnie
Bell	Griffiths	Pryor, Ark.
Betts	Grover	Rallsback
Bevill	Gubser	Rangel
Blackburn	Hall	Reid
Blanton	Hansen, Idaho	Riegle
Blatnik	Hays	Rooney, N.Y.
Boggs	Hébert	Roussellot
Byrnes, Wis.	Hungate	Ruppe
Byron	Hunt	Saylor
Carey, N.Y.	Jacobs	Schmitz
Chappell	Jonas	Sebelius
Clark	Keating	Shoup
Clausen, Don H.	Kee	Skubitz
Clawson, Del.	Kemp	Springer
Clay	Kluczynski	Symington
Collins, Ill.	Kuykendall	Talcott
Conyers	Landrum	Terry
Curlin	Leggett	Thompson, Ga.
Danielson	Lennon	Thompson, N.J.
Davis, S.C.	Link	Ullman
Derwinski	Lujan	Veysey
Devine	McClary	Vigorito
Diggs	McClure	Waldie
Dingell	McCormack	Wampier
Dorn	McCulloch	Wiggins
Dowdy	McDade	Wilson, Bob
Dulski	McDonald,	Wilson,
Dwyer	Mich.	Charles H.
	McMillan	Wyatt
	Metcalfe	Zwack
	Mikva	
	Miller, Calif.	

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.
The Clerk read as follows:

FOREIGN MILITARY CREDIT SALES

For expenses not otherwise provided for, necessary to enable the President to carry out the provisions of the Foreign Military Sales Act, \$450,000,000: *Provided*, That of the funds appropriated under this paragraph, up to \$300,000,000 may be allocated to Israel.

AMENDMENT OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PASSMAN: Page 11, line 22, after paragraph, strike out "up to \$300,000,000 may" and insert "not less than \$300,000,000 shall".

Mr. PASSMAN. Mr. Chairman, I do not think it is necessary to debate this item inasmuch as recent supporting assistance, military credit sales, and military assistance are closely related. I thought they should conform to what the House did earlier, and I hope that the amendment will be adopted. As all Members know, I have been one of the greatest supporters of aid to Israel over the years. The country is doing a fantastic job with the resources available to her. I, therefore, felt because of my feelings toward this great country I should offer this amendment.

Mr. SHRIVER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Kansas.

Mr. SHRIVER. Mr. Chairman, this re-

lates to military credit sales and Israel. The minority is in agreement and accepts the amendment.

Mr. LONG of Maryland. Mr. Chairman, I rise in support of this amendment. It is obvious the chairman has offered this because the language that was inserted as a result of the Long amendment passed, and the gentleman from Louisiana (Mr. PASSMAN), like the Supreme Court, in the words of Peter Dooley "follows the election returns."

Mr. PASSMAN. Mr. Chairman, I understand the gentleman's problem very well.

Mr. DOW. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. DOW. Mr. Chairman, I accept this amendment, too. I came in with two amendments which tightened up the funding for Israel in my hand.

Mr. PASSMAN. Does the gentleman mean he supports the amendment?

Mr. DOW. And both of the amendments were snatched from me by other Members. I feel as if I have snatched defeat from the jaws of victory.

Mr. PASSMAN. I understand the gentleman from New York has problems but I must say I am certainly as pro-Israel as any Member in this body.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. PASSMAN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

ASSISTANCE TO REFUGEES IN THE UNITED STATES

For expenses necessary to carry out the provisions of the Migration and Refugee Assistance Act of 1962 (Public Law 87-510), relating to aid to refugees within the United States, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, \$145,000,000: *Provided*, That funds from this appropriation shall be used to reimburse the Secretary of State to cover the costs incurred by the Department of State in connection with the movement of refugees from Cuba to the United States.

Mr. GROSS. Mr. Chairman, I move to strike the next to the last word.

Mr. Chairman, I take this time to ask the chairman of the committee where the \$100 million item may be that deals with population growth. I assume that means the supplying of contraceptives. I do not know whether it finances abortions or not, but where is the \$100 million to be found in the bill?

Mr. PASSMAN. On page 3 of the bill. Mr. GROSS. I see. I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FUNDS APPROPRIATED TO THE PRESIDENT INTERNATIONAL FINANCIAL INSTITUTIONS INVESTMENT IN INTER-AMERICAN DEVELOPMENT BANK

For payment by the Secretary, of the Treasury of (1) the third annual installment for the United States subscription to the paid-in capital stock of the bank; (2) the second installment of the United States subscription to the callable capital stock of the bank, as authorized by the Act of December 30, 1970

(Public Law 91-599) and (3) the second installment of the United States share in the proposed replenishment of the Fund for Special Operations, \$418,380,000, to remain available until expended.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 14, line 2, after the word "Operations," strike out "\$418,380,000" and insert in lieu thereof "\$211,760,000."

Mr. LONG of Maryland. Mr. Chairman, the purpose of this amendment, as my previous amendments have been, is to cut the appropriation for this multilateral institution back to last year's appropriation. I can see that people are in a hurry here tonight. I can see that the Republicans have decided to support foreign aid and spend this country even worse into bankruptcy—if a country can go bankrupt—than we were before. With the Republicans calling the time, there is not much hope of an economy cut here tonight, but I offer it nevertheless. In support of this cut I want to quote our chairman, OTTO PASSMAN:

I believe under the so-called multilateral programs, and there were many of them at the committee, unless the Congress knows when the money is obligated, to what country, for what purpose, and in what amount, then we do not have the right of detailed examination as we have on bilateral programs. We have lost control. I do not believe that the Congress or the country wants this kind of program if they understood it.

Many of the Communist nations have dipped into it, including Cuba. I will give you my own experience in Venezuela last year. I was greeted by our own team down there and by the Venezuelans. They all agree that the United States was not putting a penny of AID into Venezuela. Everyone I talked to agreed with that until I found that we were putting in several hundreds of millions of dollars under the Inter-American Development Bank.

Now, it has been my finding that the people in these countries and the people in the United States do not know where this money is coming from. They do not know it is coming from the United States.

We have a duplicate set of organizations. I agree with Mr. PASSMAN when he said during the hearings that these programs have gotten out of control. The United States has contributed 95 percent of the Inter-American Bank's hard currency since 1960; yet, it has little control over the loans.

Despite U.S. efforts to get controls placed on access to Inter-American Bank funds, the soft loans by the more developed Latin American countries, more than \$270 million of these funds were committed to these countries in the 20 months ending December 31, 1971. This is the GAO report.

These programs are bypassing Congress. You are giving up your power over your money; over the taxpayers' money. All I am doing or trying to do is cut the program back to last year.

I followed my chairman all during the session when he inveighed repeatedly,

again and again, against these institutions, and then all of a sudden on a mark-up we find that we are doubling the quantity of money devoted to it.

I hope the amendment passes.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

First, my dear friend from Maryland has a right to change his mind. On February 1, he voted for the authorization of funds for the Bank. He supported the amount in subcommittee just 11 days ago.

I made a recommendation that it be reduced from \$836 million at the time down to \$418 million; we cut it in half.

All these funds are for Latin America.

Now, Mr. Chairman, we should be realistic. In previous years there have been amendments to increase this amount. We felt somewhat hesitant about such a reduction, but we thought we made a case for it.

I think that is as much as it can be reduced. I certainly hope that the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INVESTMENT IN INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment by the Secretary of the Treasury for the replenishment of the resources of the International Development Association, \$320,000,000, to remain available until expended.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 14, line 8, after the word "Association," strike out "\$320,000,000" and insert in lieu thereof "\$160,000,000."

Mr. LONG of Maryland. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred twenty-five Members are present, a quorum.

The gentleman from Maryland is recognized for 5 minutes in support of his amendment.

Mr. LONG of Maryland. Mr. Chairman, the purpose of this amendment is, first, to cut back on the IDA. This is another multilateral institution. This is the lending agency that gives 50-year loans at no interest, only a service charge of three-quarters of 1 percent for the first 10 years, a grace period before they pay anything.

This, I feel, is a monstrous giveaway of the taxpayers' money, and I hope very much we can get something done.

This is another economy cut. Of course, it is even more unpopular on the other side of the aisle than it is on my side of the aisle.

Incidentally, my chairman says I have been voting for all these things. What he means, of course, is that I voted for the whole bill. When he says that, of course, he is right, but when I voted

for the whole bill I did not vote for every single item in it any more than I believe the Members who are going to be asked to vote for this whole appropriation bill today are going to be held responsible for every single item in it.

I wonder if the chairman wants to give the average Member here the impression that if he votes for this whole bill, he is voting for every single item in it.

Mr. PASSMAN said:

Let us look at the IDA. They started this operation off at \$61 million a year for three years. Then they came in and requested \$104 million a year for three years. They presented the same arguments. They jumped up the request to \$160 million. They ran that level up for three years. Do you know what they did this year, Dr. Hannah? They jumped up the request to \$320 million a year, double what they had last received—up, up, and up.

I quote Mr. PASSMAN again:

We turned this money over to this international organization. We know not what projects are going to be financed. We do not know when they are going to make the applications. We do not know the amount of the applications. We do not know what countries it is going to go to. There is no provision whereby one dime of this money will ever be returned to the United States Treasury. Do you know that is true, Dr. Hannah?

Asked Mr. PASSMAN—

Is that correct?

Dr. HANNAH. Correct.

Now, \$1,112,290,000 has been loaned out over an 11-year period, of which \$463 million in cash is in the pipeline, 42 percent.

They do not need this money, any more than my friend from Louisiana needs any money.

I might point out that the other donors have contributed only tidbits—the United Kingdom, 12 percent; France, 5 percent. But 60 percent of the sales go to the former colonies of the European nations, the European countries that have strong trade ties with these people to whom we are giving this money.

So I feel this is a program we can do without for a year, and I hope very much my amendment will be accepted.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. PASSMAN).

Mr. PASSMAN. Mr. Chairman, with reference to responsibilities, any time I cannot be a responsible Member of Congress I will pack up and go home.

When I come to the floor of this House, I am not necessarily representing OTTO PASSMAN; I am representing a wonderful subcommittee comprised of some fine men. So I am their spokesman; I am their representative.

Over the years I have been rather consistent in trying to reduce foreign aid. We have been just as successful in reducing foreign aid this year as in prior years.

Now, with respect to the International Development Association, again we have cut this item in half. These people came in and wanted \$320 million for fiscal 1972. We politely said "No," and we moved on through conference after conference and we said, "No, we are not going to yield."

We cut out the \$320 million, but we

did agree we would fund them \$320 million in the regular bill, and that is what we have done.

I am not in love with this particular item, but the Congress and the subcommittee and the full committee said it is a good program and one that we want to have. I represent them, and for that reason I say this should be done and we permit this allowance of \$320 million.

Mr. SHRIVER. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. SHRIVER. I thank the gentleman for yielding.

I want to state first that on February 1 of this year the House approved an authorization for this amount, the third replenishment in the International Development Agency agreement.

Under that agreement 23 nations have agreed to put money into this fund. Most of them have already done it. They agreed to it back there in February.

So I submit we should proceed and allocate the money here this evening.

Mr. PASSMAN. Does the gentleman agree with my statement that we did cut out \$320 million earlier this year?

Mr. SHRIVER. The gentleman is correct.

Mr. PASSMAN. We would not give them a dime more.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. HARVEY. Mr. Chairman, I had intended to express my disapproval of the reduction made by the committee in the funds appropriated for the Inter-American Development Bank. I share the feelings previously expressed by several members of the Committee on Banking and Currency and because time is growing late, I will not repeat what others have said. Needless to say I oppose this amendment.

I do, however, wish to express my disappointment in the action of the Appropriations Committee in failing to include the \$100,000,000 for the consolidated special funds for the Asian Development Bank.

It is true that there were no "multilateral negotiations firmly establishing a specific formula," as the committee report makes clear. But other countries have pledged their contributions to the Bank's special funds on the assumption that our contribution would be forthcoming.

Mr. Chairman, I suggest that we should look at the committee report of the Committee on Banking and Currency before the House on February 1, 1972. Nine countries have either contributed or pledged almost \$175,000,000. If we put in the full amount that has been suggested as our contribution, our effort would represent only 35 percent of the total.

As of June 30, 1971, the Asian Development Bank had made 21 different loans to 11 different countries. These loans were for many purposes: for irrigation improvement; land development; rubber and oil palm development; power trans-

mission; agricultural development; college expansion; beef cattle development; air transport; and highway projects. All of these are worthy purposes.

It is apparent from reading of the report on the authorizing legislation, before the House on February 1, 1972, that these other countries have acted in reliance on a contribution to this special fund from our country. If I understand the report correctly, these countries and the amount they have pledged or already contributed are:

[Millions of dollars]	
Country:	
Australia	\$9.75
Belgium	1.80
Canada	25.00
Denmark	2.00
Germany	17.50
Italy	2.00
Japan	100.00
Netherlands	2.20
United Kingdom	14.40

The Appropriations Committee's failure to include the \$100,000,000 for the consolidated special funds of the Bank ignores the actions of these other countries, and it ignores also the expressed opinion of the Members of the House. We voted on the authorization of the \$100,000,000 on February 1 of this year, and we approved it by a vote of almost 2 to 1—255 to 132. The Asian Development Bank has been supported overwhelmingly by this Congress in past years.

Mr. Chairman, I am concerned because I have been a longtime supporter of the Asian Development Bank. I believe it is the one ray of hope in this very troubled part of the world. If we are ever to solve the problems of Southeast Asia, it can only be done with an institution such as the Bank.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. Long).

The amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Sec. 505. None of the funds herein appropriated for the "International Financial Institutions" and the "United Nations Development Program" shall be available to assist in the financing of any project or activity for which detailed justification is not available to the United States Senate and House of Representatives.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: On page 17, after line 12, add the following new section:

"Sec. 506. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to provide loans, credits, financial and investment assistance, or insurance guarantees on sales to or investments in any Nation which requires payment above nominal and customary costs for exit visas, exit permits, or for the right to emigrate."

Mr. PASSMAN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from

Ohio is recognized for 5 minutes in support of his amendment.

Mr. VANIK. Mr. Chairman, the amendment which I am offering is designed to prohibit the use of any of the funds provided by this act to encourage or assist in developing trade and investment in the Soviet Union until the Soviets end their policy of requiring the payment of a "ransom"—exorbitant fees for the freedom of emigration.

We all know that these fees are being charged on a selective basis; they are being charged on Soviet Jews who are seeking to leave the Soviet Union and—for the most part—to move to Israel.

The fees are nearly impossible to meet. These "ransoms" range from 2,000 rubles to as high as 87,000 rubles, or over \$25,000. With the average person in the Soviet Union having an income of 140 rubles a month, it would take most Soviet citizens 10 years or more to be able to save the necessary funds.

The Soviets appear to have instituted these exit requirements this summer—after they felt that they had obtained agricultural and industrial trade agreements with the United States which they so desperately needed. They waited until these agreements had been worked out before imposing these new requirements—requirements which they knew would shock the conscience of the world.

It is obvious that the Soviet economy is desperately in need of a larger quantity of consumer and industrial goods. In particular, they need—desperately—more agricultural products.

It is time, now, as trade breakthroughs are announced, that we draw the line on this moral question. A nation which demands ransom for human beings must not be rewarded with a favored nation trading status or be extended credit and other mechanisms of international trade and investment financing. We must not sell grain and commodities to a Nation which is in the business of selling bodies.

The amendment which I am offering would prohibit the use of the programs of the Overseas Private Investment Corporation from being used to insure investments in the Soviet Union. It would prohibit the use of Export-Import Bank activities—for which this bill permits \$7.3 billion in program activities—to assist in the financing and development of trade with the Soviet Union—until such time as the Soviet Union terminates its "ransom" policy.

As we approach a time of negotiation and trade with the Communist world—it is fitting and right for America to insist on some moral conditions to this new relationship.

The American people can never overlook or condone a governmental policy of ransom for human freedom.

We have successfully existed without this trade for more than 30 years. We can certainly wait a little longer and insist upon some standards of human decency on the part of our trading partners.

Therefore, it is the moral duty of this Nation to use all the power at our command to influence the Soviet government

to stop its present policy of harassment and persecution.

The acceptance to the amendment which I am offering will give force to the words of our moral concern.

I urge the adoption of the amendment.

The CHAIRMAN. Does the gentleman from Louisiana insist on his point of order?

Mr. PASSMAN. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. PASSMAN. The amendment imposes additional duties on the executive branch in that it requires a determination as to what constitutes a payment above normal and customary cost for exit visas, permits, or the right to emigrate. I would not know how this could be determined without imposing additional duties upon the executive branch.

Upon that basis I plead that the point of order should and I hope it will be sustained.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. VANIK. I do not feel that the ancient, decadent body of precedent should prevent a Member from making a legitimate and proper amendment to this bill. We should not be restrained in our legislative efforts in dealing with present-day problems by the dead hand of the past.

I ask for a ruling, Mr. Chairman.

The CHAIRMAN (Mr. PRICE of Illinois). The Chair is ready to rule.

The gentleman from Louisiana (Mr. PASSMAN) has raised a point of order against the amendment of the gentleman from Ohio (Mr. VANIK) on the ground that it is legislation on an appropriation bill in violation of the rules.

The Chair has examined the amendment, and finds that it would prohibit use of funds appropriated or made available pursuant to this act, in any nation which requires payment above nominal and customary costs for exit visas, exit permits, or for the right to emigrate. It is apparent to the Chair that someone must make a determination of the "nominal" and "customary" cost, thus imposing additional duties on the executive branch; and therefore in the opinion of the Chair the language constitutes legislation on an appropriation bill. The Chair sustains the point of order.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: On page 17, after line 12, add the following new section:

"Sec. 506. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to provide loans, credits, financial and investment assistance, or insurance guarantees on sales to or investments in any Nation which requires payment in excess of \$50 or its equivalent for exit visas, exit permits, or for the right to emigrate."

Mr. PASSMAN. Mr. Chairman, I reserve a point of order on this amendment also.

The CHAIRMAN. The gentleman from Louisiana reserves a point of order.

Mr. VANIK. Mr. Chairman, I simply

want to say that this new language which I have in this second amendment cures I think any objection that there may have been to the previous amendment, and I urge its adoption by this committee.

The CHAIRMAN. Does the gentleman from Louisiana desire to be heard on his point of order?

Mr. PASSMAN. Certainly, Mr. Chairman, if I may be heard on my point of order to this amendment.

Mr. Chairman, I make the same objection as I did previously. All we do is just change a figure. I still say that it would require extra duties on the part of the executive branch.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. VANIK. Yes, Mr. Chairman, I do.

In response to the gentleman from Louisiana (Mr. PASSMAN), I want to point out that there is nothing to be determined, because this amendment simply says where it exceeds \$50 or its equivalent for exit visas, and so forth, and there is no determination at all to be made, and there is nothing calling for anyone to do anything; it is absolutely clear, and I believe also that it is language that without any question cannot be construed as imposing new duties on anyone. It specifically says that where the visas and exit permits cost in excess of \$50 or its equivalent, this would apply.

Mr. PASSMAN. If the gentleman would yield, how would you determine whether it should properly be that, or \$150, \$250, or \$350?

Mr. VANIK. I simply state \$50.

Mr. PASSMAN. If the gentleman will yield further it still has to be determined by Congress.

The CHAIRMAN (Mr. PRICE of Illinois). The Chair is ready to rule.

This amendment differs from the one on which the Chair has just ruled in that the pending amendment does not contain the words "nominal or customary," words which require interpretation and investigation, and which made the prior amendment unacceptable. The present amendment is straightforward, and would not require an extensive investigation since it is dependent upon a discernible standard, that is, a money limit which is stated in the amendment itself.

The Chair therefore overrules the point of order.

Mr. PASSMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is no money in this bill for the Soviet Union, there is none proposed and no such provision has been included. In view of that, no money would be available. It would appear to me that this is a senseless amendment and could create complications.

Of course, I am sympathetic and understanding of the intent, but I do not know why we want to make it any more complicated for the Executive and others in these troubled times that we are going through.

I certainly hope the amendment would be voted down since it would just complicate things possibly beyond our imagination at this point.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, let me say at the outset that I am completely opposed to the imposition of prohibitive fees for the issuance of visas for individuals to leave any country, whether it is the Soviet Union or any other country. I am completely opposed to what I understand is the policy of the Soviet Union today in requiring excessive costs for the issuance of visas for emigration from that country. Therefore, on the substance or intent of the amendment, I cannot object to the amendment offered by the gentleman from Ohio (Mr. VANIK).

But I wonder if we should not recollect that on April 17, 1972, the House of Representatives approved a concurrent resolution, House Concurrent Resolution 471, which in effect expresses the same basic views on the part of the House as are expressed in this pending amendment.

On that occasion we condemned the attitude and actions of the Soviet Government in many ways, but we also expressed our views in reference to the issuance of visas.

Furthermore, the Foreign Assistance Act already contains other provisions—notably in sections 620(f), 620(a) (3) and 620(n)—that have the effect of denying assistance under that act to the U.S.S.R. or other Communist countries. Moreover, the Battle Act—Mutual Defense Assistance Control Act of 1951—prohibits U.S. Government economic or financial assistance to Communist areas, and thereby imposes a general restriction against public financing of transactions with such areas if that financing is on terms which would constitute assistance for purposes of the Battle Act.

So, Mr. Chairman, since we have already passed a concurrent resolution that condemns the attitude and action of the Soviet Union and since existing law already protects the expenditure of funds to a Communist country, I doubt the need for this amendment.

Mr. YATES. Mr. Chairman, I rise in support of the Vanik amendment.

Mr. Chairman, the gentleman from Michigan, the distinguished minority leader, is correct. The House did pass that legislation condemning Soviet restrictions on freedom of emigration, but something has happened since the House passed that resolution, something of extreme importance. I should like to employ the eloquence of the distinguished American author, James Michener, to state my case. In an article that appeared in the New York Times this past Saturday he said:

Last month the Council of Ministers of the Supreme Soviet quietly passed a resolution calling for additional taxes on any educated Jews wishing to emigrate. The fact that most families cannot assemble the money required for their "ransom," and are thus condemned to a life of harassment, has led well-meaning people in the rest of the world to consider the possibility of collecting some \$200 million to effect the ransom of thousands of leading Jewish intellectuals. But distinguished Russian scientists of Jewish origin have told Western friends, "Don't pay this robbery."

There is one escape. The law establishing the systematic blackmail has not yet been officially promulgated. It is scheduled to be ratified by the Supreme Soviet on Tuesday. If, before that date, a general worldwide protest can be mobilized, the Soviet Government may reconsider. It therefore behooves everyone interested in education, in the intellectual life, in science, in art, and in industry to voice his protest now.

To these I would add the word "inhumanity"—those who are interested in the cause of humanity should protest as well. I quote further from this article:

Even though Soviet authorities have since 1970 allowed some like Zand to emigrate, the escape of one Jew infuriates them, because they interpret his departure as a vote against the system. It is for this reason that they now charge distinguished men like Roman Rutman and Benjamin Levich some \$35,000 each for permission to go.

We must say no. Every American writer, scientist, artist with a voice must protest this inhuman blackmail. As Rutman says, "We do not want ransom money. We want moral outcry."

"We want moral outcry." That, in effect, is what the amendment offered by the gentleman from Ohio is—a moral outcry, an American protest to an inhumane proposal.

As the gentleman from Louisiana has stated, there is no money in this bill for Soviet Russia. Perhaps it would be better if there were, but there are none. Therefore, the limitation will not be operative. But what this amendment does do clearly is to give this House the opportunity to voice its sentiment, to tell the Soviet Union we abhor its inhuman policy of holding its Jewish citizens for ransom. Do we not want to go on record now as saying we object to this kind of blackmail, we protest this kind of ransom?

This is the critical moment. Let the word go out from the Congress that we believe in the right of free emigration as stated in the Declaration of Human Rights. Let us go on record in opposition to the proposed Soviet action, which violates the Declaration of Human Rights which was signed by the Soviet Union.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I certainly support the purpose of the amendment. I think it would complicate things. Have we not made a sufficient record as of this time to indicate very clearly where we all stand? If this does not actually get the job done, then we can take other action later.

Mr. YATES. I will say to the gentleman that we have not taken action in connection with the proposed Soviet ransom law. We have not taken action to voice our opposition in connection with the ransom that the Soviet Union is attempting to place upon its Jews who want to leave that country.

Mr. PODELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall not use all of the time. I would like to concur with the remarks of the gentleman in the well and to point out to the distinguished gentleman from Michigan that if the

bill is as it is, and if the bill is as the gentleman states it is—and it is because the gentleman from Michigan yields to no one in his deep concern for the problem of Soviet Jewry—then why should we object to adding one additional word of moral outrage against a country that is deserving of the moral outrage of the entire world?

Recently in Munich we saw 11 Israelis killed, and we decried the action of Arab terrorists, but little was said about one important factor. The Arab terrorists who did this dastardly act in Munich a short time ago were armed by the Soviet Union. It was Soviet machineguns that gunned these people down, including a German policeman and others that were killed there. What is the problem about adding our additional word from the Congress of the United States to let the Soviet Union know that the people of this country, this Congress, will not tolerate the kinds of actions that they perpetrate?

Therefore, I see no reason for not going ahead and approving the amendment.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. PODELL. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, I want to associate myself with the remarks of the distinguished gentleman from New York and the distinguished gentleman from Illinois.

Mr. LONG of Maryland. Mr. Chairman, I want to associate myself with the remarks of the gentleman from New York and urge strongly the support of the amendment.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. PODELL. I yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, I wish to associate myself with the remarks of the gentleman from New York.

I support and salute the distinguished gentleman from Ohio (Mr. VANIK) for his leadership in offering this excellent amendment. The Soviet Union must know that if it is to engage in barbarism, it will not receive credits and other financial and investment assistance from the United States. I urge the adoption of the amendment. By passage of this amendment the House of Representatives will demonstrate its outrage against Soviet harassment of those Jews who wish to emigrate to Israel.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. VANIK).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk concluded the reading of the bill.

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the

State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16705) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1973, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered on the bill and all amendments thereto to final passage.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MYERS

Mr. MYERS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MYERS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MYERS moves to recommit the bill H.R. 16705 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SCHERLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 169, nays 141, not voting 120, as follows:

[Roll No. 381]

YEAS—169

Abzug	Brown, Ohio	Dellums
Addabbo	Buchanan	Dennis
Alexander	Burke, Mass.	Donohue
Anderson, Ill.	Burton	Dow
Arends	Byrne, Pa.	Drinan
Aspinall	Carlson	du Pont
Barrett	Carney	Edwards, Calif.
Blaggi	Cederberg	Erlenborn
Blester	Celler	Fascell
Bingham	Chisholm	Findley
Blatnik	Clark	Fish
Boland	Conable	Flood
Bolling	Conte	Foley
Bow	Corman	Ford, Gerald R.
Brademas	Cotter	Forsythe
Brasco	Coughlin	Fraser
Brooks	Culver	Frelinghuysen
Broomfield	Daniels, N.J.	Frenzel
Brotzman	Davis, Wls.	Fulton
Brown, Mich.	Dellenback	Garmatz

Gialmo
Gonzalez
Grasso
Gray
Green, Pa.
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Heckler, Mass.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Hogan
Holifield
Horton
Hosmer
Howard
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Karth
Kee
Keith
Koch
Kyros
Lent
Lloyd
Long, Md.
McCloskey

McCulloch
McEwen
McFall
McKay
McKevitt
McKinney
Madden
Mahon
Mailliard
Mallory
Mann
Mathias, Calif.
Matsunaga
Mayne
Meeds
Minish
Mink
Moolohan
Moorhead
Morgan
Nedzi
Nix
O'Konski
O'Neill
Passman
Pelly
Perkins
Podell
Preyer, N.C.
Price, Ill.
Pucinski
Quile
Railsback
Rees
Rhodes
Robinson, Va.
Robison, N.Y.

Rodino
Roe
Rooney, Pa.
Rosenthal
Roybal
Sarbanes
Scheuer
Schwengel
Seiberling
Shriver
Sisk
Smith, N.Y.
Stanton
J. William
Steele
Steiger, Wis.
Stokes
Stratton
Teague, Calif.
Udall
Vander Jagt
Vanik
Ware
Whalen
Whitehurst
Widnall
Williams
Wilson
Charles H.
Wolff
Wright
Wyder
Yates
Yatron
Young, Tex.
Zablocki
Zion

NAYS—141

Adams
Andrews, Ala.
Archer
Ashbrook
Ashley
Begich
Bennett
Bergland
Bray
Brinkley
Broymill, N.C.
Broymill, Va.
Burke, Fla.
Burlison, Tex.
Burlison, Mo.
Cabell
Caffery
Camp
Carter
Casey, Tex.
Chamberlain
Clancy
Cleveland
Collier
Collins, Tex.
Colmer
Conover
Crane
Daniel, Va.
Davis, Ga.
de la Garza
Deaney
Denholm
Dent
Dickinson
Downing
Duncan
Eckhardt
Edwards, Ala.
Eshleman
Evans, Colo.
Fisher
Flowers
Ford
William D.
Fountain
Fuqua
Gallafanakis
Gaydos

Gettys
Gibbons
Goodling
Griffin
Gross
Hagan
Haley
Hammer-
schmidt
Harsha
Hastings
Hechler, W. Va.
Henderson
Hillis
Hull
Hutchinson
Ichord
Jarman
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kazen
King
Kyl
Landgrebe
Latta
Lennon
Long, La.
McCollister
Macdonald,
Mass.
Martin
Mathis, Ga.
Melcher
Michel
Miller, Ohio
Mills, Ark.
Mitchell
Mizell
Montgomery
Mosher
Moss
Myers
Natcher
Nichols
Obey
Pettis
Pickle
Pike

Poage
Powell
Price, Tex.
Purcell
Quillen
Randall
Rarick
Reuss
Roberts
Rogers
Roncallo
Roush
Roy
Runnels
Ruth
St Germain
Sandman
Satterfield
Scherle
Schneebell
Shipley
Sikes
Slack
Smith, Calif.
Spence
Staggers
Stanton
James V.
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Sullivan
Taylor
Teague, Tex.
Thone
Tiernan
Van Deerlin
Waggonner
Whalley
White
Whitten
Winn
Wyllie
Wyman
Young, Fla.

NOT VOTING—120

Abbitt
Abernethy
Abourezk
Anderson,
Calif.
Anderson,
Tenn.
Andrews,
N. Dak.
Annunzio
Aspin
Badillo
Baker
Baring

Belcher
Bell
Betts
Bevill
Blackburn
Blanton
Boggs
Byrnes, Wis.
Byron
Carey, N.Y.
Chappell
Clausen,
Don H.
Clawson, Del.

Clay
Collins, Ill.
Conyers
Curlin
Danielsen
Davis, S.C.
Derwinski
Devine
Diggs
Dingell
Dorn
Dowdy
Dulski
Dwyer

Edmondson
Elberg
Esch
Evins, Tenn.
Flynt
Frey
Gallagher
Goldwater
Green, Oreg.
Griffiths
Grover
Gubser
Hall
Hansen, Idaho
Hays
Hébert
Hungate
Hunt
Jacobs
Jonas
Keating
Kemp
Kluczynski
Kuykendall
Landrum
Leggett
Link
Lujan

McClory
McClure
McCormack
McDade
McDonald,
Mich.
McMillan
Mazzoli
Metcalfe
Mikva
Miller, Calif.
Mills, Md.
Minshall
Monagan
Murphy, Ill.
Murphy, N.Y.
Nelsen
O'Hara
Patman
Patten
Pepper
Peysner
Pirnie
Pryor, Ark.
Rangel
Reid
Riegle
Rooney, N.Y.

Rostenkowski
Rousselot
Ruppe
Saylor
Schmitz
Scott
Sebelius
Shoup
Skubitz
Smith, Iowa
Snyder
Springer
Symington
Talcott
Terry
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Ullman
Veysey
Vigorito
Waldie
Wampler
Wiggins
Wilson, Bob
Wyatt
Zwach

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Dulski against.
Mr. Rooney of New York for, with Mr. Davis of South Carolina against.
Mr. Annunzio for, with Mr. Rangel against.
Mr. Mikva for, with Mr. Jacobs against.
Mr. Ellberg for, with Mr. Chappell against.
Mr. Reid for, with Mr. Anderson of California against.
Mr. Leggett for, with Mr. Conyers against.
Mr. Murphy of Illinois for, with Mr. Hungate against.
Mr. Monagan for, with Mr. Aspin against.
Mr. McCormack for, with Mr. Landrum against.
Mr. Thompson of New Jersey for, with Mr. Abernethy against.
Mr. Waldie for, with Mr. Abbitt against.
Mr. Pepper for, with Mr. McMillan against.
Mr. Kluczynski for, with Mr. Hall against.
Mrs. Dwyer for, with Mr. Kuykendall against.
Mr. Kemp for, with Mr. Baker against.
Mr. Andrews of North Dakota for, with Mr. Del Clawson against.
Mr. Mills of Maryland for, with Mr. Goldwater against.
Mr. Esch for, with Mr. Snyder against.
Mr. Gubser for, with Mr. Devine against.
Mr. Carey of New York for, with Mr. Hunt against.
Mr. Boggs for, with Mr. Rousselot against.
Mr. McClory for, with Mr. Thomson of Wisconsin against.
Mr. Rostenkowski for, with Mr. Grover against.
Mr. Bob Willson for, with Mr. Wampler against.
Mr. Murphy of New York for, with Mr. Veysey against.
Mr. Patten for, with Mr. Talcott against.
Mr. McDade for, with Mr. Skubitz against.
Mr. Pirnie for, with Mr. Shoup against.
Mr. Peyser for, with Mr. Schmitz against.
Mr. Bell for, with Mr. Saylor against.
Mr. Mazzoli for, with Mr. McDonald of Michigan against.
Mr. Dingell for, with Mr. Lujan against.
Mr. Clay for, with Mr. Betts against.
Mr. Smith of Iowa for, with Mr. Don H. Clausen against.
Mr. Anderson of Tennessee for, with Mr. Frey against.
Mr. Danielson for, with Mr. McClure against.
Mr. Diggs for, with Mr. Scott against.
Mr. Edmondson for, with Mr. Sebelius against.
Mr. Link for, with Mr. Thompson of Georgia against.
Mr. O'Hara for, with Mr. Bevill against.

Mr. Symington for, with Mr. Blanton against.
Mr. Ullman for, with Mr. Byron against.
Mr. Vigorito for, with Mr. Dorn against.
Mr. Keating for, with Mr. Evins of Tennessee against.
Mr. Hansen of Idaho for, with Mr. Flynt against.
Mr. Nelsen for, with Mrs. Griffiths against.
Mr. Riegle for, with Mr. Abourezk against.
Mr. Ruppe for, with Mr. Metcalfe against.
Mr. Wiggins for, with Mr. Blackburn against.
Mr. Wyatt for, with Mr. Badillo against.
Mr. Zwach for, with Mr. Terry against.
Mr. Patman for, with Mr. Baring against.
Mr. Miller of California for, with Mr. Dowdy against.

Until further notice:

Mr. Hays with Mr. Byrnes of Wisconsin.
Mr. Collins of Illinois with Mr. Derwinski.
Mr. Curlin with Mr. Belcher.
Mrs. Green of Oregon with Mr. Springer.
Mr. Gallagher with Mr. Minshall.
Mr. Pryor of Arkansas with Mr. Jonas.

Mr. ECKHARDT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

INTERIM AGREEMENT BETWEEN THE UNITED STATES AND THE UNION OF SOCIALIST REPUBLICS ON MEASURES WITH RESPECT TO LIMITATION OF STRATEGIC OFFENSIVE ARMS

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 1227) approval and authorization for the President of the United States to accept an Interim Agreement Between the United States of America and the Union of Soviet Socialist Republics on Certain Measures With Respect to the Limitation of Strategic Offensive Arms, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert: That the Congress hereby endorses those portions of the Declaration of Basic Principles of Mutual Relations Between the United States of America and the Union of Soviet Socialist Republics signed by President Nixon and General Secretary Brezhnev at Moscow on May 29, 1972, which relate to the dangers of military confrontation and which read as follows:

"The United States of America and the Union of Soviet Socialist Republics attach major importance to preventing the development of situations capable of causing a dangerous exacerbation of their relations . . . and "will do their utmost to avoid military confrontations and to prevent the outbreak

of nuclear war" and "will always exercise restraint in their mutual relations," and "on outstanding issues will conduct" their discussions and negotiations "in a spirit of reciprocity, mutual accommodation and mutual benefit," and

"Both sides recognize that efforts to obtain unilateral advantages at the expense of the other, directly or indirectly, are inconsistent with these objectives," and

"The prerequisites for maintaining and strengthening peaceful relations between the United States of America and the Union of Soviet Socialist Republics are the recognition of the security interests of the parties based on the principle of equality and the renunciation of the use or threat of force."

SEC. 2. The President is hereby authorized to approve on behalf of the United States the interim agreement between the United States of America and the Union of Soviet Socialist Republics on certain measures with respect to the limitation of strategic offensive arms, and the protocol related thereto, signed at Moscow on May 26, 1972, by Richard Nixon, President of the United States of America, and Leonid I. Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union.

SEC. 3. The Government and the people of the United States ardently desire a stable international strategic balance that maintains peace and deters aggression. The Congress supports the stated policy of the United States that, were a more complete strategic offensive arms agreement not achieved within the five years of interim agreement, and were the survivability of the strategic deterrent forces of the United States to be threatened as a result of such failure, this could jeopardize the supreme national interests of the United States; the Congress recognizes the difficulty of maintaining a stable strategic balance in a period of rapidly developing technology; the Congress recognizes the principle of United States-Soviet Union equality reflected in the antiballistic missile treaty, and urges and requests the President to seek a future treaty that, inter alia, would not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union; and the Congress considers that the success of these agreements and the attainment of more permanent and comprehensive agreements are dependent upon the maintenance under present world conditions of vigorous research and development and modernization program as required by a prudent strategic posture.

SEC. 4. The Congress hereby commends the President for having successfully concluded agreements with the Soviet Union limiting the production and deployment of antiballistic missiles and certain strategic offensive armaments, and it supports the announced intention of the President to seek further limits on the production and deployment of strategic armaments at future Strategic Arms Limitation Talks. At the same time, the Senate takes cognizance of the fact that agreements to limit the further escalation of the arms race are only preliminary steps, however important, toward the attainment of world stability and national security. The Congress therefore urges the President to seek at the earliest practicable moment Strategic Arms Reduction Talks (SART) with the Soviet Union, the People's Republic of China, and other countries, and simultaneously to work toward reductions in conventional armaments, in order to bring about agreements for mutual decreases in the production and development of weapons of mass destruction so as to eliminate the threat of large-scale devastation and the ever-mounting costs of arms production and weapons modernization, thereby freeing world resources for constructive, peaceful use.

SEC. 5. Pursuant to paragraph six of the

Declaration of Principles of Nixon and Brezhnev on May 29, 1972, which states that the United States and the Union of Soviet Socialist Republics: "will continue to make special efforts to limit strategic armaments. Whenever possible, they will conclude concrete agreements aimed at achieving these purposes"; Congress considers that the success of the interim agreement and the attainment of more permanent and comprehensive agreements are dependent upon the preservation of longstanding United States policy that neither the Soviet Union nor the United States should seek unilateral advantage by developing a first strike potential.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RARICK. Mr. Speaker, I object.
The SPEAKER. Objection is heard.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I have asked for this time for the purpose of asking the distinguished majority whip about the program, if any, for the rest of this week and the schedule for next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. We have completed the business of this week. The schedule for next week is as follows:

Monday is District day, and there are no District bills.

On Monday, we have the military construction appropriations for the fiscal year, 1973, subject to a rule being granted.

The Committee on Rules is meeting on Monday morning so it should be available.

For Tuesday and the balance of the week is as follows:

H.R. 16704, the Housing and Urban Development Act of 1972 (subject to a rule being granted);

H.R. 16645, Eisenhower Memorial Bicentennial Civic Center (subject to a rule being granted);

H.R. 16656, Federal Aid to Highways Act (subject to a rule being granted); and

H.R. 1121, Gateway National Seashore (subject to a rule being granted);

The continuing appropriations resolution, fiscal year 1973;

H.R. 9128, container barge service with an open rule and 1 hour of debate;

H.R. 16732, SBIC amendments (subject to a rule being granted);

H.R. 13694, American Revolution Bicentennial Commission (vote on amendments and bill); and

S. 1316, Federal payment for meat inspection (subject to a rule being granted).

Conference reports may be brought up at any time and any further program will be announced later.

Mr. GERALD R. FORD. Mr. Speaker, if the gentleman from Massachusetts will yield, in light of the fact that we were not able to get unanimous consent for the immediate consideration of the

Senate version of the SALT agreement bill; is it the plan or is it anticipated that the chairman of the Committee on Foreign Affairs will go to the Committee on Rules on Monday and seek to get a rule and program that, if such a rule is granted?

Mr. O'NEILL. That is correct.

Mr. GERALD R. FORD. I thank the gentleman from Massachusetts.

ADJOURNMENT OVER TO MONDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, the leaves are starting to fall, and I would like some way or other to know if it is possible to get some information as to when we might expect adjournment sine die.

Mr. O'NEILL. As the gentleman knows, we are quite a considerable distance ahead of the other body at this time, and they have a particular piece of legislation that is quite controversial in nature.

Mr. GROSS. Who has this?

Mr. O'NEILL. The other body. They have a piece of legislation that is quite controversial which could possibly last for days. I would say that our business should be completed much sooner than the business of the other body, and the chances are that we will be waiting around here for them to concur in a sine die proposal.

I would hope that we would be out the week of Columbus holiday.

Mr. GROSS. The week of what?

Mr. O'NEILL. Columbus holiday. That is the week of October 9; I would say some day that week. It looks as though on our side we should be able to be finished with our work, subject to the other body being able to catch up with their workload.

Mr. GROSS. We are being held hostage by the other body.

Mr. O'NEILL. I do not want to comment on what the other body is doing but the gentleman from Iowa made that statement.

Mr. GROSS. Of course, rumors are a dime a dozen in this place at this time. Would there be anything to the rumor that there was a meeting of certain of the leadership held today, and it was generally agreed that there would be a lameduck session of Congress?

Mr. O'NEILL. I have no idea as to whether the Speaker and the minority leader had a meeting of that type or not. If they had, I do not know of it.

Mr. GROSS. I assume the gentleman's request—I did not hear it—was to go over until Monday?

Mr. O'NEILL. It is to go over until Monday, May I add that we are hoping to complete next week's program by Thursday night of next week and make the same type of motion, but if the schedule is not completed, there is a possibility that we would be working Friday of next week.

Mr. GROSS. It is making it awfully difficult for some of us to make any kind of campaign plans. I will say to the gentleman he must realize that. How do we make any kind of decent plans to carry on a campaign? We are all subject to reelection. I am not speaking for myself alone, but certainly I am interested. Here we are carrying out the good old Thursday-to-Tuesday Club. There will be a Monday if a rule is granted, but if a rule should not be granted, I do not know whether we will have a bill even Monday or not, because the bill scheduled for Monday is subject to consideration if a rule is granted.

Mr. O'NEILL. I do not think the gentleman is entirely fair. I think that the Tuesday-to-Thursday Club is a thing of the past.

Mr. GROSS. A thing of the past?

Mr. O'NEILL. Yes.

Mr. GROSS. Well, just have a session tomorrow and pick up anything that is lying around loose, and consider it. And we might try a Saturday.

Mr. O'NEILL. We are trying to take into consideration exactly what the gentleman has in mind. In fact, there are so many who would like to get home for long weekends on both sides. We are considering the campaigns. We appreciate the situation, and we are trying to do the best we can.

Mr. GROSS. A few of us have opposition in the campaign this year, and we would like to take care as best we can of our obligations here, as well as get in a little campaigning. This may be a fine setup for those who have no opposition, but it is not very good for some of us who do have opposition. I just want to voice my protest at this time to this kind of business year after year, and year after year, of coming down here with 15 days or so to campaign, through the courtesy of the leadership of the House, I guess. I do not know whom else to attribute it to.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MRS. JANE LUMPKIN

(Mr. CHAMBERLAIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CHAMBERLAIN. Mr. Speaker, it is with profound sorrow that I announce the death yesterday of Mrs. Jane Lumpkin who has served as my personal secretary and receptionist for the past 12

years. Mrs. Lumpkin came to Washington in 1949 after working for private industry in her hometown of Waukesha, Wis. She worked first on the staff of the Congressman representing her home area, the Honorable Glenn R. Davis, and for his immediate successor, the Honorable Donald Tewes. Immediately prior to joining my staff, she had worked 2 years for the Small Business Administration in Washington.

The death of Mrs. Lumpkin yesterday was a deep personal loss to all of us who were privileged to know and work with her. Her warm and cheerful personality, her unfailing good humor, and her understanding of and concern for others made our work and our days go more easily and happily. Jane was that rare person who emitted a light which cheered and warmed others. When we know such a person we draw strength from them far more than we realize, and their loss leaves us truly bereft.

But the loss is far more than personal. Mrs. Jane Lumpkin was a highly efficient secretary, a loyal and reliable aide, and a tremendously valuable worker for that portion of the American people it was her role to serve. There are literally thousands of people today in Michigan's Sixth Congressional District, the area surrounding Lansing, who are in her debt for her swift and dependable attention to their problems. Young men caught in some personal crisis with the military service, veterans, recipients of social security—these were just a few of the kinds of problems which she investigated and helped solve. My files hold hundreds of letters expressing praise of and gratitude for Mrs. Lumpkin's help.

Jane Lumpkin was also our receptionist who opened our office each morning. The warmth and friendliness of her greetings, to coworkers and visitors alike, was genuine, because it came from greatness of heart and nobility of character. She truly loved others. Now, we can, and will continue to draw strength from the memory of our association with her over these past years.

Mrs. Lumpkin resided in Bethesda, Md., with her husband, Mr. James D. Lumpkin, to whom Mrs. Chamberlain and I extend our deepest sympathy, along with other members of her family and her many friends with whom we share this loss.

DEDICATION TO DUTY FORCES CLARENCE E. MILLER TO MISS TESTIMONIAL DINNER

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BROWN of Ohio. Mr. Speaker, life is full of uncertainties. But surely no one leads a more unpredictable existence than we who serve as Representatives in the Congress. At best, we have precious little control over our destinies, and in fact, we are slaves to schedules that we cannot control or even anticipate from 1 hour to the next.

Tremendous efforts and sacrifices were undertaken to prepare to permit the

House to work its will on the question of minimum wage legislation at the time we convened today. Members rearranged important engagements and returned from points far and near to be here to answer to the call.

And then as we all know, moments after the opening gavel fell, it was announced that, once again, minimum wage was put off indefinitely, possibly due to a lack of votes pleasing to the chairman of the Labor Committee.

Some had sacrificed more than others to be here for the vote. Some had given up very important engagements, indeed. Next to missing one's own honeymoon there is perhaps no event that a public official is more anxious not to miss than a testimonial dinner being given in his honor.

There was such an auspicious event being held in the 10th District of Ohio today in honor of our good colleague, CLARENCE MILLER. And, of course, CLARENCE had hoped to be there.

Then it was announced the important minimum wage conference would come up for vote immediately after lunch today. Now some of you may not be aware of it, but CLARENCE has not missed a vote since he came to the House nearly 6 years ago. So I am sure that, disappointed as he must have been, CLARENCE probably did not have to anguish very long over that decision before he opted to stay here and do his duty.

So just about the time the CLARENCE MILLER testimonial luncheon was getting underway in Lancaster, Ohio, it was announced here on the floor that the important conference vote was postponed.

Sorry about that, CLARENCE. Better luck next time. But console yourself with the fact that it is this very dedication to duty for which the people of the 10th District of Ohio honor you.

TRIBUTE TO WILLIAM RYAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CELLER) is recognized for 60 minutes.

Mr. CELLER. Mr. Speaker, it is always painful when this great House loses a good and gentle soul. It is always regrettable when it loses an able and dedicated Member. It is always tragic when it loses one of its priceless men of vision.

But what is it, Mr. Speaker, when we lose Bill Ryan? We mourn a kind man, and our loss is painful; we mourn a diligent worker, and that loss is regrettable; we mourn a warrior of ideals, and that loss is eternal.

Theodore Roosevelt was said to have remarked, on one occasion, that most of the world's work is done by people who do not feel well. All of us who knew Bill Ryan in recent years could see the physical toll being taken by his illness. But there was no loss of spirit and no decline in his enormous productivity. He remained an invaluable asset to the Committee on the Judiciary and a loyal servant to the Bill of Rights.

During the years since he first entered this Chamber in 1961, Bill Ryan championed many lonely and unpopular

causes. In some instances, those visions were realized during his own lifetime. On the great issues of civil rights legislation, nuclear arms reduction, and Chinese admission to the United Nations, many of his early and almost singular positions have become modern realities. His tireless efforts on behalf of the Lead-Paint Poisoning Prevention Act bore fruit in the last Congress, and his undying commitment to a gateway national urban recreation area will be another of his legacies to the people of New York.

One only regrets that peace in Vietnam, for which Bill Ryan so long worked and ached, was beyond his time. But that peace will come, and his efforts on its behalf will be remembered as a lasting contribution to world peace.

Mr. Speaker, there are those among his colleagues who never agreed with Bill Ryan, and there are many more who agreed with him only on occasion. But, remarkably, every Member accorded him true respect and every Member felt for him genuine affection.

To his wife, Priscilla, and to his four children, I join the House of Representatives in sending my very deepest sympathy.

Mr. O'NEILL. Mr. Speaker, the death of Bill Ryan leaves this Chamber and the Nation diminished in many ways. We are all familiar with his accomplishments in this body, and the extraordinary legal and educational background from which he came. While biographies chronicle the lives of men in terms of their achievements, men are remembered by their colleagues and friends for their personal courage, their integrity, and their forthrightness.

Bill Ryan possessed all of these qualities in abundance. He was a leader in bringing issues before the people of his district and Nation long before they received notoriety in the press or became popular with the electorate. In one of his first acts as a Congressman, he called for the admission of mainland China to the United Nations. At a time when the nuclear arms race was spiraling to new heights, he voiced opposition to unrestricted military spending. And long before the war in Vietnam was criticized by many Americans as an immoral venture, he spoke out against the continued American presence in Southeast Asia.

Even those who disagreed with his political philosophy will agree that he demonstrated the courage of his convictions over and over again on the floor of this House. Whether it was lead-based paint poisoning or low-income housing, Bill Ryan dedicated himself to the legislative task with the full measure of human energy. In every respect, he represented the 20th Congressional District of New York.

Outstanding men are seldom passive in their outlook or their approach. Bill Ryan was, as he termed it himself, an activist. Perhaps the greatest tribute which he received during his lifetime was the overwhelming support which he received from his constituency in his last primary. He was admired and respected by the people who elected him because he consistently and tirelessly brought their views to the fore in Congress.

With the passing of Bill Ryan from the Congress, a force for equality and justice in American life is gone. Through his role as a member of the Judiciary Committee, Bill Ryan was a champion in the movement to obtain greater civil and human rights for all Americans. But to those of us in this Chamber who knew and admired him, and those for whom he waged so many battles Bill Ryan will continue to represent the values of courage and decency by which he lived his family life and public life.

Mrs. O'Neill and the entire O'Neill family join me in expressing sorrow and grief at the loss of William F. Ryan; we extend our heartfelt sympathies to his family and close friends.

Mr. BARRETT. Mr. Speaker, it is with a great deal of sorrow that I rise to eulogize my late friend and colleague, the distinguished gentleman from New York, William Fitts Ryan. I can only say the House of Representatives has lost its most dynamic and determined Member. His unflagging spirit and dedication to the cause of justice made him one of the most outstanding Members that I have had the privilege to serve with during my 28 years in Congress.

Many Members have already spoken of Bill Ryan in terms far more eloquent than I can make today. I believe my distinguished chairman of the Committee on Banking and Currency (Mr. PATMAN) in his statement, best summarized what Bill Ryan was to us:

The passing of William Ryan has deprived the world of what it needs most. An antidote for hate; he had wisdom to understand, imagination to create, and energy to bring about a world of justice, peace, honor, and mercy. This is the world in which he himself lived and sought to bestow upon mankind.

All of us could see during the past 2 years the ravages that his illness wrought upon him, yet, as we all know, it did little to stop him. His voting record remained as it always was, one of the best in the House. Even during his recent primary campaign, he was always here to vote and to participate in the House proceedings. He was, for me, in many ways the conscience of the House. He spoke out of true feeling to attain peace and justice for all.

Bill Ryan was ahead of his times when he first arrived here in the House in the early 1960's. I have often said that it is unfortunate that many of us did not listen to him more in those days. He was the first Member of this body to raise objections against the disastrous war in Vietnam. It was Bill Ryan who brought to the attention of the Congress, the serious problem of lead-paint disease among young children. It was his drive and determination that moved the Lead-Based Paint Poisoning Prevention Act through the Congress. I worked with him very closely on this piece of important legislation. He saw to it that it was enacted, and as my distinguished colleague of Pennsylvania (Mr. FLOON) will attest, it was he who saw to it that it was funded.

I have worked closely with Bill Ryan on every piece of housing legislation that this House has considered since Bill arrived in 1961. I think that few Members

of the House know as much about our housing problems and our Federal housing and urban development programs than did Bill Ryan. He always testified before our Housing Subcommittee when it was considering legislation and always presented voluminous, well-researched, and constructive proposals to the committee. His interest did not stop at just testifying. He was always there to see that the committee was considering his proposals and always there to offer his support to us at every opportunity. I believe that what made him so loved and respected in this House was his good will, his good spirit, and his respect for other Members. You could disagree with Bill Ryan violently, but you always loved him.

This House has lost its most respected Member. I extend my sincere sympathy to his wonderful family and to his constituents in the 20th Congressional District in New York City.

Mr. ADDABBO. Mr. Speaker, the death of our colleague, the Honorable William F. Ryan, is one which will be felt by this chamber for many years. Few men pass through this House with the notice and impact of a Bill Ryan and millions of Americans have now lost a dedicated and energetic spokesman.

I knew Bill Ryan well and working with him over the past 12 years was an experience filled with surprises and drama. This was a man who thought only of the people he represented—the people of his congressional district and the people all across America who were unrepresented. He was a man with a mission and the mission was to bring a better life to those less fortunate than himself. That mission was far more important to him than any rules or standards of conduct accepted by the established order in Washington, including the Congress. When he believed something needed to be said, Bill Ryan said it regardless of the political consequences.

His career was a most illustrious one. Bill Ryan was talking about the dangers of pollution and the need for environmental standards 12 years ago. He was proposing automobile emission control legislation when few people in this country had devoted a moment's thought to the subject. He was always ahead of his time on the issues and, therefore, a controversial figure, but the record he compiled will live on as a monument to his efforts.

Bill Ryan was a tireless worker as he strived to change the prevailing opinions of this Chamber on many issues—the war, the environment, and human rights, housing, mass transportation and the Nation's underprivileged to name a few. His dedication and hard work won over the admiration and respect of many Members of Congress and the National Government who otherwise might have looked with disapproval on his proposals for a better society.

During the past few years, steady process of increasing respect and admiration for the man reached its peak as Bill Ryan fought out against the illness which finally took him from us. The knowledge

that he would not be with us long brought about a most heroic effort to do more for the disadvantaged and compile an even more comely record of achievement as a U.S. Representative. Bill Ryan worked harder than ever before. He fought and won a reelection campaign by winning the hearts and minds of his constituents. He returned to the House this summer as a winner, proud of his victory yet ready to work harder for his supporters.

Now he has been taken from us and as we pay tribute to him today in the House, we recall the many times he addressed us and we will miss the challenge he never failed to place before us. I join in extending my personal sympathies to his family and many friends.

Mr. MIKVA. Mr. Speaker, there are many ways that we can pay tribute to Congressman William F. Ryan. We could talk about his background, about his effectiveness as a legislator, or about the work he did for his district, the 20th District of New York. But if we stopped there, we would not be doing his memory justice, because Bill Ryan will be remembered most of all for his ideas. He was a Member of the House of Representatives for 12 years, and in each of those years, he was out in front—ahead of his colleagues, ahead of his district, ahead of his time.

One of the first things he did when he came to Congress was to vote to cut off funds for the House Un-American Activities Committee. He was only one of a handful then, but partially because of his persistence and determination, that handful grew to more than a 150 on a similar vote this year. In 1961, he was scorned for advocating the recognition of the Peoples' Republic of China. It was another one of those "radical" ideas that Bill Ryan was pushing, people said then, but in 1972 it does not seem radical at all. In 1963 he took the floor of the House to speak out against the war in Southeast Asia. More than a few people scoffed at his pleas to end the war. That was in the first year of the American war in Southeast Asia. Now, we are in the 10th year of that awful war, and no one doubts that Bill Ryan was right, right in 1963, and right up to the week of his death in 1972.

Consumer protection, medical care for the poor, government reform—these were only some of the "radical" areas where Congressman Ryan led the way. History remembers people for their ideas.

Bill Ryan's ideas have insured him of a special niche in this country's annals. We who knew him are the better for his ideas, and generations ahead will benefit even more.

Bill Ryan was an enemy of the status quo. He saw progress as the stuff of government, and it is for that leadership that the country will miss him most. And so will those of us who had the privilege to be his friends.

Mr. OBEY. Mr. Speaker, I would like to join in paying tribute to one of the most decent men I have ever known.

A year ago I was asked what I thought of Bill Ryan and this is what I said:

Without a doubt the single most obvious quality about Bill is his obvious outrage about injustice. It is easy in the atmosphere

of the House to become bland and faceless, but Bill Ryan has never succumbed.

Whether it is Vietnam or poverty or an under-funded program to protect ghetto children against the dangers of lead based paint, Bill's deep feelings for justice and humaneness show through. When Bill takes a position on the floor no one ever has to wonder what his political angle is. The simple fact is that he has none. Bill does what he thinks is right and what he thinks is needed and he does it with a deep sense of caring which ought to shame everyone who has taken the easy path by saying that the system is impossible to move.

Anyone who cares about the promise of America and the integrity of its political system must feel a great sense of loss that Bill Ryan will not be there with us caring and fighting as he has done for so many years. I know I do.

Mr. CAREY of New York. Mr. Speaker, in the death of William Fitts Ryan, New York City has lost a Congressman of courage and the House has lost a distinguished legislator.

Seeking words which I believe would best befit his character, his ability, his courage, and his compassion, I would choose these: William Fitts Ryan was a foremost American, a foremost man. When he had to stand alone, he stood alone. When his voice was crying out and giving from the heart, to speak to the principles in which he believed—principles of peace, of justice, of dignity—it did not matter to Bill Ryan that his was the only voice that spoke; it mattered that the message was sincere and that the issue had to be raised.

Bill Ryan came to this Congress as well prepared as any man who ever entered this Chamber. My colleague from New York (Mr. PIKE) has related to his career of academic distinction.

In the law, as he learned to love the law, Bill Ryan had served with great promise in what some have called the finest law office for justice in our country, the district attorney's office of New York County under District Attorney Frank Hogan. In that office I have learned from many of his colleagues who served with him that he was outstanding, that his knowledge and ability were surpassing.

Hence he came here prepared to know the law, to write the law, and to improve the law for all people.

I do not believe it needs to be stated over and over again that he was a foremost man, because before most of us—in fact, before any of us—he began with one voice to try to teach the people of this country what he believed to be the error of our ways. Whether it be in the organization of our political system, so that more could benefit from that system, he was before most of us. Whether it be on the need for peace—true generation of peace, if you will, a lasting peace—he saw that nonviolence was the road we had to travel. He was, foremost, before most of us.

We worked together in many campaigns in New York City, in New York State, and for this country, and Bill was always on the winning side, no matter how the votes were counted.

I believe we all know now his support of John Kennedy and Robert Kennedy—and he was an early supporter of both—

proves he was on the winning side, no matter what was the result of the vote as it was counted.

He was on the winning side, the side that must and will win, on the great issues of our times—on the need for more equality in housing, the need for decent standards in employment, and the application of nondiscrimination to government policies. That became the winning side. It is the law today.

Bill was among the first to raise that issue, before most of us—before any of us, in terms of the amendment he sponsored.

He was unflagging in his determination to seek justice, to see justice triumph through the halls of Congress.

It is quite correct that he had to labor hard to get to a place where he could be effective, but in the Judiciary Committee it is well known that he earned his place in that committee and contributed greatly to the great record of that committee in these later years.

There may be a memorial which we can raise to Bill Ryan. He dedicated his years lately to the Committee on Interior and Insular Affairs, where I served with him, to the hopes that the people of his great city; in fact, the people of our great country who live around the eastern seacoast could participate in great recreational opportunities through the Gateway National Seashore. That is the Ryan bill, and I hope we can expedite consideration of that bill. I recall that on a previous occasion when we lost Representative Clem Miller of California, we provided that when the Point Reyes National Seashore was created, we made appropriate recommendations that it would in some way serve as a memorial to Representative Miller of California. I would hope that in the same way with Gateway that we could do something about it in memory of Bill Ryan. But, no memorial, monument, nothing that we could create here is really going to carry to the children of Bill and Priscilla Ryan—in fact, to all of the children, young people, the elderly, the people of America, the people of New York City, the people of all worlds, the true measure of Bill Ryan. That remains yet to be written. It will be written when all of our people know peace, know justice, eliminate discrimination and fully participate in the dream of America.

Bill died in pursuit of that dream; he did not lose it. Bill Ryan in a real way did not lose his life; he won his most recent battles. The record will show he has won most of his battles for justice even when he was a lonely voice raised in his behalf. I say, he did not lose his life; he gave it away. He gave it to the people of the United States of America. It is ours to honor, to cherish and to remember for the love of God and His peace and His justice and His mercy.

To the Ryan family, Bill's parents, Priscilla, and the children, Helen and I and our family extend our admiration and our sympathy.

Mr. BOGGS. Mr. Speaker, we were saddened last week to learn of the passing of our friend and colleague, Congressman William Fitts Ryan. All of us who knew him admired Congressman

Ryan for his keen intelligence and strong dedication to his beliefs, but most of all for his remarkable courage and stamina in the face of declining health.

Recently I received a copy of a letter sent by Congressman Ryan's constituents to his widow. Because this letter sums up the affection and admiration they felt for this man, I am inserting it, at their request, in the RECORD and calling it to the attention of my colleagues:

THE COMMUNITY LEAGUE

OF WEST 159TH STREET, INC.,

New York, N.Y., September 19, 1972.

Mrs. WILLIAM FITTS RYAN,
New York, N.Y.,

DEAR MRS. RYAN: We mourn the loss of our beloved Congressman, William Fitts Ryan because:

He set a standard and kept it high. He found his task and tried very hard to do it. He lent a hand wherever he could. He stuck to the fight (whatever capacity), when he was hardest hit—for he felt it was no time to quit. He gave us inspiration in our struggles throughout the years.

"We do believe that there is no unbeliever who ever plants a seed beneath the sod and waits to see it push away the clod—He trusts in God".

For the length of time when he has been a Congressman, whenever we needed his guidance and assistance, help was always provided.

It was in 1962 when we discussed our community drug problem with him. We continued to bring these problems to his attention, i.e. housing problems, the recognition of this area in need of Antipoverty funds. In 1965 when he placed on a city-wide slate his selection as a running mate, Dr. Ann Arnold Hedgman, the first time in New York political history, an Afro American woman, or any woman a selection was made.

His keen sense of humanity which we observed, bringing to the Congress, the area of human needs which only he felt and was brave and courageous enough to bring to the attention of the House of Representatives. He had a sense of feeling for the ordinary and the poor. There were many other such demonstrations of his courage, his conviction, his depth of concern for humanity regardless of race, color or creed.

For these many deeds, we mourn, and we can never forget the epitome of greatness which we had the privilege of experiencing by knowing and working with this hero.

Respectfully yours,

BETTY CHILDS,
President.

GENERAL LEAVE

Mr. DENHOLM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include therein extraneous matter on the special order given today by the gentleman from New York (Mr. CELLER) on the late Honorable William Fitts Ryan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

FDA PERMITS CONTAMINATED FOOD TO BE SOLD TO PUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, I have learned that 31 percent of the suspected con-

taminated foods and drugs ordered to be seized by the Food and Drug Administration in 91 cases during fiscal year 1971 was instead sold to the public. These foods and drugs are being sold to the public because both FDA and the Justice Department are simply too slow in seizing defective and potentially dangerous products.

Flour stored in an area infested with rats, ineffective thyroid capsules, and noodles manufactured in unsanitary conditions were apparently sold to the public despite an FDA seizure rule.

In 18 percent of the cases less than 10 percent of the dangerous product was actually removed from the shelves, according to a recent General Accounting Office report.

The Food and Drug Administration clearly lacks the authority which it sorely needs to detain a suspected defective product. Under current law, the FDA must seek a court injunction in order to seize a product which is suspected or known to be defective, but cannot detain a suspected defective product.

In addition, I am aware, Mr. Speaker, that many firms do not cooperate with the FDA and refuse to provide them with data about their food products. More than 3,300 firms have refused to cooperate with FDA inspectors by providing them with information about expected contaminated products. Between 1969 and 1971, 3,300 firms refused requests from FDA inspectors on over 10,000 occasions. Some of these firms are guilty of covering up the fact that they are foisting defective goods upon an unsuspecting public.

In its report, the General Accounting Office concludes:

FDA's lack of detention authority—coupled with slowness of seizure actions—seriously hampers consumer protection . . . FDA is unable to prevent substantive quantities of products suspected or known to be violative (i.e. defective) from being sold to and consumed by the public.

Mr. Speaker, this situation must be corrected and it is now up to the Congress to give FDA needed authority. Legislation has been introduced in the House that would give FDA total access to records and the ability on its own authority to detain suspected contaminated foods.

Mr. Speaker, in its report the GAO does not identify specific firms which have committed what are, quite frankly, horrendous acts of deception by selling contaminated food and drugs to the public. I have asked the GAO to release a list of the names of the firms involved. The public has a right to know who has been peddling contaminated goods.

ON THE CAPITOL IMPROVEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL) is recognized for 10 minutes.

Mr. SCHWENGEL. Mr. Speaker, the Capitol of the United States is the best-loved and most revered building in America. Nathaniel Hawthorne on a visit to Washington, D.C., in 1862, stated that its combination of dignity, harmony, and

utility made it a fit embodiment of the highest traits of the Republic. I think that is a noncontroversial view shared by all Members. Not in 1862, or even in 1972, was the Capitol in all respects a completed edifice, but rather an idealization, a forecast, of what it was to become.

As president of the U.S. Capitol Historical Society I am perhaps more aware than some Members of the esthetic crimes committed in our building—its need for restoration, replacement, decoration, and maintenance.

As president of the U.S. Capitol Historical Society I have attempted in concert with the leaders of the Congress, its officers, and outside experts and supporters, to contribute to the proper treatment of America's most important shrine, the latest through a gift from the U.S. Capitol Historical Society of \$80,000 for art work in the Capitol. The Capitol is the workshop of the world's most important legislative body and deserves the kind of appropriate artistry that the recent improvement reflects.

Hence, I have serious reservations about some criticisms, limited though they have been, of the improvements, in the Speakers lobby area.

Mr. Speaker, I have personally inspected the rooms and give the Speaker the highest commendation upon having authorized with the support and approval of the minority leader, and officers of the Congress, staff and outside professionals, the changes which have enhanced the beauty of these historic areas and made them more functional. One has only to look at the costly, beautifully decorated ceilings painted by great artists 150 years ago to recognize that these rooms deserve preservation and decoration in keeping with their elegance and value.

From a historical point of view I am convinced that this project will serve well both the Members and posterity. I am supported in that position, by Mr. John Pearce, a noted art historian who has restored such shrines as Decatur House Winterthur, worked on the Williamsburg restorations, and many others of comparable importance. He is a former associate curator of cultural history of the Smithsonian Institution, and former curator of historic properties of the National Trust for Historic Preservation. Mr. Pearce recently visited the lobby as a part of his continuing study of our historic buildings for his classes, lectures, and articles. He praised the careful refurbishing of these areas in a manner consonant with both the historic decoration and the present uses of the areas.

Mr. Pearce points out:

Though we preservationists have quite rightly very strongly criticized some action taken with regard to the Capitol in the past, we have also recognized the generally excellent care rendered the building and its decorations. In the case of the lobby, for instance, great care has been taken to preserve the painted and tile work decorations original to the area, as well as the woodcarving of the remodeling of 1901. The old and worn furnishings which could not be used have, however, been stored for preservation. Where any items have been needed, as with the furnishings and movable decorations, care and taste have also been exercised so that the furnishings reflect the 18th and 19th century

history of the institution and at the same time provide the needed setting for the areas of legislative work. The window draperies are of the finest restoration quality available, appropriate to the building and to this very important area and their general shape follows what is known of early draperies for the building.

The original color is not documented so far as I know, but I find the present color and fabric sheen highly appropriate to the old decorations. The very handsome carpet, though not based on a precise historical example, is the finest example I know of a modern decoration completely in harmony with its old setting, drawing its color and pattern from the old tiles of the rooms which originally stood separately from the hall and are now connected to it.

I also include in my remarks the statement of the distinguished Architect of the Capitol, Mr. George White, whose architectural skills and esthetic taste are well recognized:

The Speaker's lobby and reading room was last decorated about 1901. Historical research reveals that the motif was generated by a policy of acquiring pieces which would accommodate members of all sizes and weights.

No consideration was given to coordination of styles of furnishings, materials, colors, scale, and architecture of the rooms themselves.

Seventy years later, in October 1971, studies were begun with the view of complementing the arched, frescoed, and gilded ceilings, expensive at the time they were executed and priceless today, and the Minton tiles, also heirlooms of rare beauty and value, impossible of duplication or replacement. The need to preserve and beautify, while important, was not the sole incentive for redecorating. More functional furnishings and orderly maintenance were major factors in the considerations of the informal group composed of the Speaker, the minority leader, the Architect, the Parliamentarian, and the Clerk, who reviewed proposals of in-House staff and commercial designers.

The classic Federal concept, eventually agreed upon—18th-19th-century Georgian—reflects the 1850 period when the House wing of the Capitol was originally constructed, and this choice eliminates the massiveness which previously dominated areas extremely long—100 feet in length for both the lobby and the reading room—once three rooms—and relatively narrow—18th- and 19th-century English Chippendale and Queen Anne Georgian ball-and-claw, replaced oversized furniture and wall-mounted hatracks; console tables now provide useable surfaces and are modified copies of a piece now in the Philadelphia Museum.

The 100-foot-long wool rug repeats with unusual accuracy, considering the difficulty of achieving the same color in different materials—and that more than 100 years later—the famous Minton tile floor in the reading room. It contains elements of Kerman and Savonnerie, also borrowing certain of the patterns in the draperies. The medallions placed under the three matching chandeliers accent them and give balance to the room.

Of great functional value to the Members, are the free standing cabinets which house the newspapers, teletypes, and housekeeping equipment, which were designed by one of the foremost

cabinetmakers and were constructed and installed by the Clerk's property supply chief's staff as an "in-House" project.

The House has been served appropriately; the heritage of this great body has been preserved. The millions of Americans and foreign visitors who visit the Capitol will see that we have made another step toward satisfying the inspiration which prompted Nathaniel Hawthorne to write many years ago that the Capitol expresses the majesty of our democracy, the spirit of America within and without.

NORTH VIETNAM AND TERRORISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, for those Americans who are not altogether certain of the mentality, the humanity, or the ideology of the North Vietnamese, let me bring to your attention some of the recent and illuminating comments by North Vietnamese newspapers regarding Arab terrorism.

Nhan Dan, the biggest Hanoi paper, said on September 19:

The peoples of the Arab countries and the entire peace and justice-loving human race have realized that they must unite in support of the Palestinian people's struggle . . . Public opinion in the world, and the very acts of aggression in the Middle East, have smashed the allegations of the U.S. and the Israeli pirates, who are using the bloody event in Munich to make black white and to sling mud at the just resistance of the Palestinian people. The US-Israeli aggressors are guilty of sabotage of peace. They have caused all the suffering of the nations in the Middle East. They are terrorists. As such, they must be condemned by the whole mankind.

And on September 12, the same paper alluded to the United States-Israeli plot behind the bloody event in Munich:

At the present international juncture, the recent bloody incident in Munich is eloquent proof of the cruelty and perfidy of the US and Israeli aggressors. The aggressors have availed themselves of the deaths of eleven Israelis, which they deliberately allowed to happen, to massacre hundreds of Arabs whose fatherland has been annexed by the Israelis.

Any reasonable man, any human being with even a passing commitment to civility or the sanctity of human life cannot help but be struck by the callousness, the maliciousness, and the patent condemnation of innocent human suffering by the North Vietnamese. Such ideological fortitude, or commitment, or whatever, simply cannot be overlooked in the context of the struggle of the South Vietnamese people against the North Vietnamese invaders. With an appreciation for the North Vietnamese commitment, not only to Palestinian liberation, but also to worldwide terrorist tactics, one can better understand why the U.S. Government weighs, assesses, and deliberates on North Vietnamese peace overtures with such skepticism.

In the nine-point North Vietnamese peace proposal made this year, point three demands that the United States should stop supporting Thieu/Ky/Khiem

so that there may be set up in Saigon a new administration standing for "peace, independence, neutrality, and democracy." To accept such statements in the context of Western or Occidental thought, in light of the North Vietnamese unequivocal support of Arab terrorism would be the height of folly. To submit to a regime which is in the vanguard of world revolution and terrorism, as has been suggested by some in this country, alarms me greatly, as it should alarm any American who values human life and freedom.

Rowland Evans and Robert Novak broached this precise issue in this morning's Washington Post. I commend it; why such commentaries have not appeared with more frequency in the Nation's press is truly perplexing.

NORTH VIETNAM'S ARAB LINE

(By Rowland Evans and Robert Novak)

Even Hanoi-watchers accustomed to rigid militancy by the North Vietnamese Politburo were stunned last week by its fervent support of Arab terrorism in Munich—ominously revealing the mentality of the men in charge at Hanoi.

One week after Munich, North Vietnam fired a propaganda barrage endorsing the guerrillas' attack on the Olympic Village not equalled outside the Arab world—certainly not in Moscow and Peking. Referring to the Arab assassins as "Palestinian patriots," Hanoi accused Israel and the United States of plotting the Munich massacre to justify retaliation against Arab guerrilla camps.

What makes this so surprising is the possible threat it poses to Hanoi's campaign to influence liberal opinion in the United States and Western Europe against present U.S. policy on Vietnam. Those same liberals, incensed by the terrorist invasion of Olympic Village, could be alienated by North Vietnam's embrace of the Arabs.

In fact, this embrace until now has received no attention in the West. But Hanoi could scarcely have counted on that. Some Hanoi-watchers doubt the North Vietnamese Politburo even contemplated an adverse Western reaction to its pro-Arab propaganda.

Rather, careful students of Hanoi believe its revolutionary ideology is so inflexible that it felt impelled to applaud Arab terrorism no matter what the cost. Such dogmatism supports those pessimists in official Washington who doubt Hanoi will ever settle the war on anything less than its own terms.

The North Vietnamese reaction to the Sept. 5 Munich massacre came Sept. 12 when Israel and West Germany were accused of choosing the "path of hatred and betrayal" by Nhan Dan, the Hanoi party daily. "The recent bloody incident in Munich is eloquent proof of the cruelty and perfidy of the U.S. and Israeli aggressors and the dark design of the Nixon administration and company to wreck peace under the extremely hypocritical label of humanity and peace," the newspaper continued.

Charging that the U.S. and Israel "deliberately allowed" the murder of Israeli Olympians as a pretext for reprisals, Nhan Dan added: "They planned to whip up a chauvinistic hysteria in Israel and create a false protest movement within the so-called 'civilized world' to vilify the just struggle of the Palestinian people and to threaten and split the Arab countries."

The line was echoed Sept. 13 by the North Vietnamese army newspaper: "Those schemes and act of the aggressors can stamp out the Palestinian resistance movement or break the Arab peoples' will to fight for their fundamental rights."

This unequivocal support for Arab terrorism contrasts sharply with the public dis-

avowal by Moscow and Peking of the Olympic Village raid. "We have never been in favor of such adventurous acts of terrorism," Chinese Ambassador Huang Hua told the United Nations.

But to be in the vanguard of world revolution, the Hanoi Politburo is rigidly allied with the Palestinian guerrillas—an alliance that began in early 1970 when Palestinian guerrilla leader of the Al Fatah was lionized on a visit to Hanoi.

Since then, Hanoi has been insistently anti-Israeli, denouncing Mideast peacemaking efforts and cease fire proposals. Adamantly, against any internationally supervised Vietnam ceasefire, North Vietnam wants no such precedent in the Middle East.

The long love affair between North Vietnamese and Arab revolutionaries has been ignored by Hanoi's apologists in the West many of whom support Israel. But Hanoi's embrace of the Munich terrorists makes this position increasingly less tenable.

Thus, addressing Jewish rabbis Sept. 6 in Los Angeles, Sen. George McGovern compared Arab terrorists in Munich to U.S. bombing of North Vietnam. Visibly aroused, one indignant rabbi asked McGovern how he could possibly compare American air officers with Arab fanatics. McGovern immediately temporized, but the conflict was obvious. Hanoi's newest embrace of Arab terrorism does not make it easier.

NARCOTICS ABUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, the horrors of narcotics abuse do not respect national boundaries. The world community has become increasingly aware, over the past 5 years, of the danger which opium trafficking presents to Asians, Europeans, and the Americans alike.

I would like to call the attention of my colleagues to certain developments which took place subsequent to the publication by the Foreign Affairs Committee of my study mission report entitled "The International Narcotics Trade and Its Relation to the United States."

The following two items, which were revealed to me through reliable sources, deal respectively with the production and processing of Turkish opium and with a suspected participant in the illicit heroin traffic which makes its way from Marseilles to the streets of the United States by way of South and Central America.

Joseph Marcel Lambert Sauveur, known by nickname "Jeff," is suspected of being a central figure in the Europe-South America dope traffic which is supplying, to a rapidly increasing extent, the habits of America's half-million addicts. Sauveur, born March 20, 1915, in Tilleur, Belgium, now maintains Venezuelan citizenship. He has been involved in the illicit heroin trade since 1943 and his name appears in the case records of Interpol. Sauveur has been suspected of smuggling morphine base—the chief ingredient used in the processing of heroin—from Europe to Buenos Aires—on one occasion secreting in over 50 pounds. His associate and paramour is Hinda Zeligmann, of Metz, France. Jacques Discepolo, Jacques Vincendon, and Armand Attan are three of Sauveur's confederates.

Until this year Sauveur resided in Venezuela but has recently moved back

to Belgium. He reportedly frequents the Vesuvio restaurant at Cannes, France. The Vesuvio is owned by the notorious Guerini family and has long been under surveillance as a meeting place for black market agents.

The additional information that I wish to call to the attention of my colleagues concerns certain recent developments in Turkey.

After several months of silence on the issue, prominent Turkish politicians have resumed criticism of the upcoming ban on poppy cultivation, which was agreed upon last June 30 as a way to prevent tons of Turkish-grown opium from making its way, in the form of heroin, to America's half-million addict population. Our State Department agreed at the time to furnish Turkey with \$35,000,000 in additional aid to compensate for foreign exchange losses and to finance a farmer-subsidy program. The most important development to date has been the recent introduction of legislation sponsored by 112 Justice Party Senators and Deputies which would permit the resumption of poppy cultivation.

The bill would forbid farmers from incising poppy pods or otherwise extracting opium gum. Instead, the whole poppy plant would be harvested and then turned over to government collection centers. From there, they would be sent to government factories where opium would be removed from the unincised pods and foliage. There is serious doubt, however, as to whether such a policy would succeed in reducing the illicit traffic in Turkish-produced opium.

Prime Minister Melen, on the other hand, seems determined to implement the ban, although he is not aligning himself as closely with that policy as had Prime Minister Erim, who resigned on April 15 of this year.

In order to keep as much opium as possible off the illicit market, the Turkish Government on May 29 announced another price increase for opium, the last increase having taken place in November 1971. Prices on both the licit and illicit market have risen significantly. As result of the newest price increase, grade A opium having a 13-percent morphine content will be sold to the Government for 220 Turkish lira—TL—instead of the 170 TL paid last year—15 TL=\$1. Grade B opium—11 to 12 percent morphine—will bring 200 TL rather than the former 150 TL per kilogram. As was in effect last year, an extra 15 TL per kilogram will be paid for opium gum of either grade which is clean, has bright color, and good odor.

The opium price on the illicit market was 250 to 350 TL per kilogram before the first Government price increase in 1971. In November 1971, following the price hike, illicit opium sold for 500 to 600 TL. A few days before the latest Government increase, villagers estimated the illicit price this year would be well over 1,000 TL per kilogram. Future prices will depend on the amounts of opium stockpiled by villagers over the past several years.

In 1971, a government licensing law for poppy farmers was adopted. The farmer must now state how much opium he expects to produce and the amount

of acreage to be used before he can get government authorization to plant his crop. Before the recent licensing law went into effect, villagers did not have to report the number of acres planted. They claim they were able to reserve 500 kilos to 3 tons of illegal raw opium for each ton of legal opium sold to the government. Now, much less can be saved, but they still plan to underestimate the amount of legal production in order to preserve a nest-egg of black market opium.

For years now, smugglers have utilized small pickup trucks or station wagons painted to look like commercial vehicles carrying biscuits, detergents, or ladies' stockings. The smugglers contact their village representative at a local coffee-house and the word is spread around that the smuggler is available at some nearby location. Sales are almost always consummated outside the village, usually between the end of October and the end of November.

Since this may be the final year of legal production, villagers are very alert to the possibility of being paid in counterfeit money by the smugglers. This is due to the fact that Turkish villagers have traditionally padded their illicit opium with 500 to 750 grams of raisin or plum pulp per 2 kilos of gum. Now may be the time for the smugglers to recoup their losses.

While the authorities have been aware of certain production and smuggling operations in Turkey, a number of processing labs have only recently come to light. Turkish centers for refining illicit raw opium into morphine base have been located in four places: Suhut Village in Afyon Province, Salihli in Manisa Province, Denizli, and Izmir.

The processing in Suhut is done by villagers on a small scale, while large labs exist in the other three cities which are served by good roads, and are in close proximity to coastal harbors.

In Izmir, the processing actually occurs in the dozens of towns surrounding the port city. The processing plants are set up and operated by slum dwellers who have migrated to the outlying towns.

It is believed that there are no significant processing plants in Istanbul, although there are labs similar to those surrounding Izmir in the greater Istanbul area.

NAIROBI OR BUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, last week the Joint Economic Committee's Subcommittee on International Exchange and Payments, conducted hearings on two important current international monetary issues—first, the future role of gold in the international monetary system and, second, intervention by monetary authorities in exchange markets to support particular currencies. Often in the past such intervention has been made possible or facilitated by currency exchanges between central banks. These exchanges,

usually referred to as "swaps," are really loans from a strong currency country to another whose money happens to be weak in exchange markets.

Our hearings did not survey the full range of issues that must be resolved before any comprehensive international monetary reform can be accepted. Instead, we were more interested in interim steps that can be taken during the next year or two to strengthen the ad hoc international monetary arrangements that were agreed upon at the Smithsonian Institution last December. We were concerned that the system we now have, despite its shortcomings, work satisfactorily during the period necessary to negotiate fundamental reforms.

We discovered that there are a number of interim measures that can be introduced now not only to help prevent a breakdown in international payment mechanisms during the period of negotiations, but also to help guide the talks toward the type of reform we feel is ultimately desirable.

We do not need to wait for next year's annual International Monetary Fund—IMF—meeting in Nairobi to begin the reform process. Things can be done now—particularly regarding the role of gold and the activities of central banks in exchange markets—that will help speed the reform and assure that member countries of the IMF successfully achieve a consensus.

CHANGING THE ROLE OF GOLD

The functions of gold in the international monetary system have been very substantially circumscribed since 1960. After a rush by foreign central banks to exchange dollars for gold in late 1960, the monetary authorities of seven major industrial countries formed the London Gold Pool the following year to help conserve existing monetary gold stocks. When private demand for gold in the London market was high, the Pool supplied enough of the metal to keep the price near the then \$35 per ounce official level. When there was an ample supply of gold in the London market, the Pool purchased. This arrangement worked satisfactorily until early 1968, when private speculative demand for gold became almost insatiable and the members of the Pool were called upon to supply more gold than they were willing to relinquish. As the major participant in the pooling arrangement, these losses of gold reserves fell most heavily upon the United States.

In March 1968, therefore, the members of the Pool gathered in Washington and agreed to suspend operations. A two-tier gold market was established. In one market private purchasers and sellers meet and exchange gold at whatever price happens to be dictated by the convergence of supply and demand. In the other, official monetary institutions continued to exchange gold among themselves in balance-of-payments settlements at the official value of \$35 per ounce. The United States continued to maintain the convertibility of foreign officially held dollars into gold. The Pool members also agreed not to buy gold directly from South Africa or on the free market and not to sell it to private parties.

Some European nations, however, wanted South African gold to continue entering the international monetary system. This position was opposed by the United States. After over a year and a half of wrangling about how the output of South African mines would be handled, a compromise was reached under which the International Monetary Fund agreed to buy gold from South Africa whenever the price fell below the \$35 per ounce official level or whenever South Africa had a payments deficit. Under this agreement, the IMF purchased \$640 million worth of South African gold in 1970 and \$138 million worth last year. None, however, has been purchased by the Fund since August 1971.

For about the last year, South Africa's balance of payments has been strong, and gold prices in the free market have remained above the official level. Consequently, South Africa has not been able to meet the criterion for gold sales to the International Monetary Fund. Moreover, the amount of gold it has supplied to the private market has been reduced, since South Africa has not needed to sell its full output in order to meet payments to foreigners. Both the reduction in supply and increasing speculative demand have contributed to pushing the free market price to over \$70 an ounce, or nearly double the official value of \$38 per ounce. For a few weeks, the private market price of gold fluctuated between \$65 and \$70 an ounce, but the price is now dropping.

The high private market price of gold has tended to strain the monetary arrangements devised at the Smithsonian. Soaring gold prices place the exchange value of the dollar under suspicion. Moreover, the high private market price of gold has made official monetary institutions reluctant to use the metal in settling balance-of-payments deficits. Because the value of special drawing rights is also defined in gold, a similar reluctance to use SDR's has emerged. While the proportion of gold in total international monetary reserves has declined from 70 percent in 1950 to 50 percent in 1970, and now stands at below 30 percent, it is not a healthy development to have a significant portion of the world's monetary reserve assets immobilized.

Before August 15, 1971, when the United States continued to maintain convertibility into gold of foreign officially held dollars, it made sense to prohibit central banks from selling gold in the private market. Otherwise, these institutions would have been able to obtain gold from the United States at \$35 per ounce and then sell it at a higher price to private purchasers, thus causing an undue drain on U.S. monetary gold. Now, however, the rationale for prohibiting sales of gold in the private market by the monetary authorities no longer exists.

The time has come for the United States to assert its leadership in promoting international monetary reform. We have undertaken some helpful actions in the past few months, such as participating in cooperative arrangements to help the British obtain the currencies they needed to repay their IMF

debts. The resumption of limited intervention in exchange markets was a similarly constructive step. But a more forthright initiative on the part of the United States is now called for.

The United States should urge the International Monetary Fund, at its annual meeting here next week, immediate modification of the March 1968 two-tier agreement to permit sales of gold by central banks and the IMF in the free market. The March 1968 agreement is embodied only in a communique issued by the representatives of the former gold pool countries. Approval of a resolution by the IMF Governors would be more than sufficient to alter the terms of the earlier agreement.

Sales of gold in the free market by the International Monetary Fund or by central banks at their own volition would have a number of beneficial effects.

First, such sales would reduce the free market price and therefore help ease the apprehensions that currently exist about the viability of the Smithsonian monetary arrangements. In addition, a lower free market price would make monetary authorities less reluctant to use their remaining gold reserves and their SDR's in international settlements.

Second, sales by central banks—without purchases—would decrease the global stock of monetary gold reserves. A gradual decline in the stock of gold reserves is consistent with and would help advance the long-run U.S. objective of phasing gold out as a monetary reserve asset.

Third, official sales would demonstrate that gold has no immutable intrinsic value. The private price of gold is based on a limited number of transactions in an extremely thin market. This market is protected by the umbrella of the March 1968 two-tier agreement and the December 1969 IMF-South African accord. From 1934 into the 1960's it was the United States which guaranteed the value of gold. More recently this duty has been shared cooperatively among several industrial nations. It is time, now that we have special drawing rights created by the IMF, to begin withdrawing the mantle of official protection over gold.

Fourth, as the largest official gold holder in the world, the United States would profit from a share of the sales in the private market. At the end of July, the United States had \$10.5 billion worth of gold, Germany held \$4.4 billion worth, France \$3.8 billion, Switzerland \$3.2 billion, Italy \$3.1 billion, the Netherlands \$2.1 billion, and Belgium \$1.7 billion. All other nations, including Canada and Japan, held less than a billion dollars worth of gold.

In addition to advocating a resumption of official gold sales in the private market, the United States should serve notice that the United States will oppose any renewal of the 1969 agreement on IMF purchases of gold from South Africa. The agreement was for a 5-year duration; therefore, it has little more than 2 years to run.

An end to official gold purchases from South Africa is also consistent with the longrun objective of the United States

to phase out gold as a monetary reserve medium. Ultimately, gold should become a commodity like any other. Its value should be determined by the economics of mining and refining it, on one hand, and by demand for industrial and artistic uses and for investment as a personal store of wealth, on the other. But neither the United States nor the International Monetary Fund should be saddled beyond the term of the existing agreement with the responsibility of guaranteeing South Africa's market for that country's chief export commodity.

Finally, the United States should indicate that in a reformed international monetary system, special drawing rights—SDR's—should be accepted for all transactions between the IMF and member countries that now require payment in gold. It is special drawing rights created by the International Monetary Fund and regulated in amount by its members that should become the primary reserve asset in a reformed international monetary system.

In the course of our hearings, we benefited from testimony by Prof. Jacques Rueff, a longstanding proponent of doubling the official monetary value of gold and of reinstituting the gold standard. He argued that increasing the price of gold would be the best way that the United States could repay its liquid dollar debt to foreigners. For example, if the price were doubled, the United States would enjoy a profit of over \$10 billion, and other countries who now hold some \$28 billion worth of gold would also enjoy a profit equivalent to the value of their current gold reserves. Professor Rueff suggested that other nations make a grant to the United States in the amount of the gold revaluation profit to retire existing liquid dollar assets now held by their central banks and treasuries. The gain on the \$6 billion worth of gold held by the IMF and other multilateral monetary authorities would also be put to the same purpose. Thus, in proposing a reverse Marshall plan, Professor Rueff has generously offered to write off some \$32 billion worth of outstanding U.S. obligations. In the future, according to his scheme, increased exchange rate flexibility would prevent the United States from once again falling into the position of chronic payments deficits.

While I agree that the United States certainly needs an increased capacity to alter dollar exchange rates in the future, I cannot accept the suggestion that the price of gold be doubled. To do so would re-enthroned gold as the primary international monetary reserve and insure that monetary relations among nations would in the future be subjected to strains just as severe as those we have experienced since the beginning of 1971.

Another witness, Dr. Edward M. Bernstein, testified that:

There are people who believe that the monetary system will be inherently unstable as long as the monetary price of gold is below its price in the free market. They say that it is necessary to raise the monetary price of gold to \$70 an ounce or more. In a world abundantly supplied with reserves, it would be reckless to add another \$40 billion to present reserves by raising the price to \$70

an ounce. Nor is there any reason to believe that this would end the speculation in gold. The higher monetary price would simply create a new floor for the free market. . . . Moreover, the fact that the monetary price of gold was raised to such an extent would create expectations of a still higher price in the future.

Fred Hirsch of Oxford University, another witness before the subcommittee took sharp issue with those who want to restore gold to its former position in the international monetary system. He argued that—

The progressive decline in the monetary role of gold in the past 50 years has not been accidental. . . . As a managed reserve unit, SDRs are superior to gold. The use of SDRs is both more efficient and less costly in real terms than use of gold metal as the managed reserve money of the system. . . . A stable international reserve system must be built on a single prime reserve asset such as the SDR.

RESTRICTING INTERVENTION

The swap network among the central banks of the major industrial nations now embodies the potential for drawings of up to \$11.7 billion. Although it is unlikely that this full amount could be borrowed at any one time, clearly there is considerable latitude for providing funds to bolster exchange rates that are under attack. The subcommittee's concern was to insure that the swap network would not be used to sustain an exchange rate that is untenable and especially that the network not be employed to prop up an overvalued exchange rate for the dollar. Our interest arose because currency swaps were used in this fashion during the period immediately preceding the introduction of the President's new economic policy last year.

On August 12 and 13, 1971, the Thursday and Friday before the President announced his new economic policy on Sunday evening, the Federal Reserve made drawings under the swap network of more than \$2.2 billion. According to existing policy at that time, the Federal Reserve passively borrowed this amount in response to foreign central banks' desires to cover the exchange rate risk on the dollars that these institutions had purchased in exchange markets during the week of August 9 to 13. If the Federal Reserve had refused to participate in these swaps, then foreign monetary authorities would have presented the dollars they had accumulated for conversion into gold. In advance of a Presidential decision to close the gold window, the U.S. authorities had no practical alternative but to comply with foreign requests for U.S. swap drawings. Nevertheless, the swap network did permit and encourage foreign central banks to continue buying dollars in exchange markets when it was obvious that the dollar had become overvalued.

In his testimony before the subcommittee last week, Federal Reserve Board Chairman Arthur F. Burns indicated that the cost to the United States of exchange rate guarantees given under the swap network on dollars held by foreign monetary authorities would amount to approximately \$160 million. Members of the subcommittee were concerned—es-

pecially in the light of the recent decision by the Treasury and the Federal Reserve to resume exchange market intervention and use of the swap network—that there be no repetition of the events of 1971.

When he appeared before us, Chairman Burns said:

Swap drawings will not be made for the purpose of providing medium or longer term financing of the U.S. payments deficit. Nor will they be used as a substitute for needed adjustments in basic economic policy.

We received similar assurances from Under Secretary Volcker. He said:

We have not embarked on any effort to artificially prop up the dollar counter to any basic balance-of-payments trends in the longer run.

He also indicated that U.S. participation in the swap network will be of a different sort than it was last year. He reported:

The basic initiative will lie with the United States. Foreign exchange will be drawn not in a passive manner after intervention by other countries, but for use in the exchange markets by the U.S. in such amounts and at such amounts and at such times as we believe the market impact will be favorable and help curb unwarranted speculative forces. Thus, the United States maintains full control over the usage of the lines. Drawings would not be made or enlarged to deal with what would be fundamental misalignments in our payments position. In normal and foreseeable circumstances, repayment could be anticipated from a reversal of market flows.

I welcome this change in our own policies regarding the use of the central bank swap network, and regarding intervention in exchange markets to support the dollar. These modifications are consistent with the new determination of this country to protect its own interests in commerce with other nations. I have every confidence that the commitments offered by Under Secretary Volcker and Chairman Burns will be rigorously observed.

CONTINUING DISTRIBUTION OF SPECIAL DRAWING RIGHTS

The initial authority to distribute \$9.4 billion of special drawing rights over a 3-year period has now been exhausted. The long-run objective of U.S. international monetary policy should be the establishment of a system having SDR's as the chief reserve medium. For this reason, it is important that the special drawing rights facility not fall into disuse. The IMF Governors at their forthcoming meeting should therefore agree upon an acceptable rate of distribution, perhaps for the remaining 2 years of the first 5-year basic period referred to in the SDR amendment to the IMF article.

The Governors should also devise a mechanism for increasing the amount of special drawing rights that will be made available to developing countries. An explicit link between reserve creation and increased financial assistance to the developing world will be essential to the adoption of any monetary reform package. The sooner this requirement is recognized and acted upon the better—not only from the point of view of the countries who need the funds so that their economies can grow, but also from

the point of view of securing prompt agreement on monetary reform.

ON TO NAIROBI

If the United States recommends to the IMF Governors next week that, first, monetary authorities be permitted to sell—but not purchase—gold in the private market, second, the Fund agreement to purchase gold from South Africa not be renewed, and third, distribution of SDR's be continued, we will have taken a major step toward reforming the international monetary system.

Under Secretary Volcker in his testimony expressed the hope that basic agreement could be achieved by the time of the next year's meeting in Nairobi. This should be the objective for the Group of Twenty when they sit down next week to open their discussions. I hope that the governments of all IMF member countries will accept this goal, and urge their negotiators to do everything possible to achieve it.

The essential first task for the 20 negotiators is to agree upon a mechanism for assuring more prompt and more gradual exchange rate adjustment in the future. As rates of inflation and productivity growth differ among countries, the Smithsonian exchange rates will become outdated. If a mechanism is agreed upon, it can be implemented before the process of ratifying a new IMF charter is completed. The international monetary system must remain unified and multilateral; it must not become segmented or deteriorate into bilateral clearing arrangements. The best way to assure such an outcome is to begin working earnestly toward an agreement at the earliest possible date.

Another subject for discussion during next week's annual meetings of the International Monetary Fund and the World Bank ought to be the inclusion of the Soviet Union, the Eastern European countries, and the People's Republic of China in both of these organizations. Yugoslavia has long been a member, and Romania has just applied for membership. These countries are members of the United Nations, and therefore are entitled to full membership in the two affiliated organizations that will be convening here. Trade between the present membership of the Fund and the Bank, and these countries, is certain to increase in the future. To insure harmonious economic relations and to give these countries the benefits and responsibilities of existing institutions, they should be included as members.

ONE FINAL WORD ABOUT IMF PERSONNEL

Recent press reports tell of some uneasy action on the part of the U.S. Government in opposing the reappointment of Pierre-Paul Schweitzer as the Managing Director of the International Monetary Fund. Apparently because Mr. Schweitzer did not subscribe 100 percent to the Treasury's position during the last year, certain U.S. officials have decided he should be ousted.

Mr. Schweitzer has served admirably as the Chief Executive Officer of the International Monetary Fund during the most difficult period since its inception. His prime concern has been the maintenance of international cooperation and

monetary stability. He has carefully avoided catering to the viewpoint of any particular Fund member. He has consistently opposed a major uniform increase in the price of gold. He shepherded the difficult negotiations leading to the implementation of the special drawing rights facility. He worked diligently for a compromise on exchange rate realignment. And most recently, he has helped get negotiations on basic international monetary reform underway.

But more is at issue than just the career of an individual. At issue also is the role the IMF will perform in the future. We need an IMF whose recommendations will carry weight with national governments. If every country, such as the United States is doing now, opposes any initiative on the part of the IMF, international monetary cooperation will be impossible.

The administration's reported position that it wants only a today at the IMF is repulsive and stupid. It should be reversed.

FARMERS UNION GRAIN TERMINAL ASSOCIATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, the Farmers Union Grain Terminal Association of Montana, the Dakotas, Minnesota and Wisconsin has long been a spokesman for the wheat farmers of the upper Midwest.

In its current semimonthly publication, the Farmers Union Herald, there is an editorial suggestion that perhaps grain farmers were kept better informed about important developments in their markets a half century ago than they have been recently, in the days of TV, radio and Telstar.

Years ago, farmers could easily obtain world price quotations from Liverpool on corn and wheat, and get world weather and crop reports; what they needed to market their wheat intelligently.

In contrast, for the past several months, farmers have been kept in the dark deliberately by their Government, the Herald charges, and it has cost the wheat farmers dearly.

Because it speaks for thousands of farmers in my area, I include in the RECORD the Herald's editorial, "Keeping Farmers In the Dark on the Wheat Sale," from the September 18 Farmers Union Herald.

KEEPING FARMERS IN THE DARK ON THE WHEAT SALE

Years ago when there really were free markets, any U.S. farmer could easily learn the Liverpool price of corn or wheat as well as world crop conditions seriously affecting price, even though there was no radio, T.V., Telstar or other miracles of modern communications. That is no longer true and for the past several months U.S. grain farmers have been deliberately kept in the dark by their government about the biggest factor they needed to know to act intelligently in selling their grain.

That factor is the huge Russian crop failure which brought about a complete reversal of the much advertised plan to sell them U.S. feed grains as part of a deal to improve rela-

tions before the 1972 elections and thus win public and farmer support.

The official U.S. promise, heralded in a multitude of statements, started last Fall with a small purchase of corn, barley and oats. Negotiations this spring were capped by a ten-day conference ending with a lengthy White House explanation that approximately \$250 million of feed grains would be bought this year, and maybe a little wheat.

But before farmers could sell any feed grain, the grapevine told of large dealings in wheat futures and in 12 per cent protein wheat, with speculation that Russia was going to feed our wheat or substitute it for lower qualities of her own which she would feed. That talk went on for weeks while U.S. wheat farmers sold both new and old crop wheat at pitifully low prices, the lowest in 28 years in North Dakota in June, for instance. Farmers had no knowledge of what really was going on but high government officials and at least some grain traders did know. The true story came out only indirectly weeks and weeks later in mid-August when Moscow dispatches told of brush and peat bog fires raging for weeks as the result of "the hottest and driest summer in more than 100 years." What in plain language spelled major drought had been reported to USDA and probably to other government intelligence offices but not to the U.S. farmers who had the wheat the big firms wanted.

Even when wheat purchases mounted to more than double the feed grain purchases that had been officially indicated, USDA still did not tell farmers what was going on but instead suppressed such information as "controversial," perhaps as hurtful to the grain traders.

If for no other reason than the official nature of the USSR grain deal, the Administration had a clear obligation to give farmers this information, even if it meant admitting that the deal was now due to an Act of God and no longer due to a Presidential election year gambit. Even now, weeks later and after appearances before a Congressional Committee, there is still no clear cut word from Secretary Butz or other responsible officials.

This government policy has cost many wheat farmers dearly, no matter how much it benefited the private grain trade or buyers of wheat. We believe Congress should order proper restitution to all those who lost money because of this deliberate failure. We see no reason why others should get a windfall because our wheat farmers who had the needed wheat were kept in the dark.

PROTEST AGAINST NEW FEES FOR SOVIET JEWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, the Soviet Union's recent decision to increase emigration fees for Jews planning to go to Israel is nothing less than an attempt to blackmail the United States and the world Jewish community and at the same time, block any mass exodus of Soviet Jews to Israel.

There is no way that Soviet Jews could save enough for the required fees from their own meager incomes. Soviet officials have advised American Jews that they can pay the costs imposed on their Russian brethren. Thus, it seems that the Soviet Union is attempting to persuade the world Jewish community to pay ransom for Jews who wish to leave Russia. At the same time, since it is doubtful that even American Jews could raise the large sums required for the new fees, the move

is designed to stop any substantial emigration to Israel.

It was no coincidence—considering the protest it would have raised—that the Soviets waited until after the Washington-Moscow wheat deal to demand that Russian Jews pay exorbitant new emigration fees.

I speak out today to indicate the utter seriousness of my concern about this Soviet action and to say that this development has deep implications for future Soviet-American trade relations.

This year about 20,000 Soviet Jews have received permission to emigrate to Israel. It is believed that about 400,000 persons have applied. In a desperate attempt to halt this emigration, the Soviet Government imposed new exit fees based on the applicant's level of education. Previously these fees had been about \$1,080 per person. The new fees ranged from \$5,000 for those who had not completed high school to \$37,000 for those who hold a doctor of science degree. There is no doubt that this law was directed against Soviet Jews, particularly scientists, intellectuals and professional men.

Recent reports make it clear that the situation is even more serious than anyone had thought. Following the announcement of new fees August 3, have come mass arrests, and show trials of those brave enough to protest.

The obvious implications of this kind of harassment have aroused my opposition to any further trade concessions with the Soviet Union.

Today, I voted for an amendment to the Foreign Assistance Act to prohibit loans, credits or other financial assistance on trade agreements with the Soviet Union until these outrageous exit fees are rescinded.

In addition, I will oppose any effort to grant Russia most-favored-nation status or Export-Import Bank credits, and oppose any extension of Commodity Credit Corp. loans for future trade agreements.

As long as the ransom for Soviet Jews is being demanded, there should be no more "wheat deals." The Soviet's need for foreign currency is well known. There is no doubt that a good portion of the new exit fees will probably be used to pay for the grain which the Soviets will be buying from the United States.

As an American and a Congressman, I say the United States cannot ignore this callous and abusive practice. We cannot permit Russia to trade Jews for wheat.

The Soviets claim these exit fees are justified because the State's investment in the education of each of the emigrants would be forfeited if they left the country. This is nonsense. The Soviet fees are twice as much as the cost of the emigrants' education.

The Soviets also claim their action is intended to end the "brain drain" caused by this emigration. This too is transparently false. Soviet Jews, regardless of their education, often have little opportunity to use their skills as a result of Soviet harassment. They have been fired, demoted, and shipped off to work camps simply for trying to emigrate.

In view of these facts, the true motives of the Soviet Union become clear. These exit fees are simply another example of the Soviet Union's official policy of harassment of its Jewish citizens.

In my opinion the continuation of these policies will depend to a large degree on whether the United States takes a firm stand to demonstrate its outrage.

The Congress cannot agree to enter into trade agreements with a country whose oppressive tactics denigrate the spirit of open trade policies. The United States cannot allow the Soviet Union to make economic gain from human suffering.

ACHIEVEMENTS AND FAILURES OF POSTAL REORGANIZATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 10 minutes.

Mr. UDALL. Mr. Speaker, as chairman of the Postal Service Subcommittee, it has been my task over the past several months to try and sort out the achievements and failures of the Postal Reorganization Act, which the Congress passed into law a little over 2 years ago. Since April our subcommittee has conducted an intensive series of oversight hearings. We sought to get the opinions from all parties dealing with the Postal Service—the employees, the managers, the business users, and the general public.

Several major problem areas emerged from the hearings and I must admit a deep concern over some aspects of the performance of the new U.S. Postal Service. But we must also realize that this legislation was something new and very different from anything that had been tried before. So in measuring the accomplishments, we must first decide what yardstick to use for measurement. Should we compare our present situation with some ideal standard of postal service? Or, more realistically, do we compare it with the impending chaos that faced our mail system at the time of the postal reorganization, and with the kind of service we would have today if nothing had been done.

Let us admit candidly where we have fallen short of our goal. The postal service provides a service, and if that service is bad, the public simply will go elsewhere if substitutes are available.

The facts indicate that fewer people are using our postal service. In 1968, for example, the number of pieces of mail handled was up 1.6 percent over the previous year. During the first three quarters of 1972, mail volume was down six-tenths of 1 percent. For a generation one of the certainties of U.S. postal service was the annual increase in volume. One had to go back to the depression years of the 1930's to find a year of declining volume.

A pattern may be emerging, and it is possible, though it is too early to be sure, that these are the first signs of a vicious circle: less volume leads to less revenue which leads to less service which results in even less volume.

And, postal competition is getting tougher. In 1967 United Parcel Service, our major competition for parcels carried, only had 20 percent of the total parcel business. Estimates now give UPS over 50 percent of the parcel deliveries. The number of packages sent through the U.S. mails is down from 664.3 million in 1968 to barely over 500 million for this year.

Utility companies are experimenting with self-delivery of their mail. Large publishers are negotiating with independent delivery companies, and so are direct mail advertisers.

Finally, complaints from both customers and Postal Service personnel have reached a crescendo. But some of this discontent must be listened to with the awareness that mail delivery is like the weather—someone will always complain.

These are some of the negative signs. But, in fairness, there are some positive signs and achievements which suggest a better future.

Political influence has finally been largely eliminated in the personnel policies of the service. People are now truly promoted on what they know—not who they know. Metropolitan area management is being tried, and authority is being delegated to local manager.

The postal service has also carved a unique niche for itself in the annals of bureaucracy: the number of personnel has actually been reduced rather than increased. At the same time, the wages of postal employees have risen as much as 40 percent in the past 4 years.

Most significantly, productivity has shown a small but steady rise. In 1968, 54.9 pieces of mail were handled per man-hour. In 1971 this rose to 57.7 and this year is up to 59.6. These are modestly encouraging figures, suggesting a trend reversal especially when such a result has been achieved with a freeze on hiring personnel.

Obviously, we have fallen short of perfection. Yet 2 years ago we were undoubtedly headed, as former Postmaster General Larry O'Brien put it, on a "collision course with disaster" unless something was done to reverse the spiral of deterioration.

I think we may have stopped the downward slide and I feel that the decline in both the level and quality of service may have finally become arrested and the level of service stabilized.

We should be able to assure customers and taxpayers that, if nothing else, the service will not get worse. The big test, of course, will be to make a start toward improvement.

But the single biggest problem area to emerge from the hearings was the rising costs of mail service—especially to magazine publishers and the serious threat it poses to an important segment of American life. A parade of publishers running the gamut from the smallest magazines to the biggest magazine empires said that the cost squeeze of postal services was rapidly becoming intolerable.

We were warned that further increases would inevitably lead to the death of a great many important but marginal-profit publications. Other publishers felt that they could continue to produce their

magazines but might have to either reduce the quality or substantially increase the cost to subscribers. Even those who testified that they could live with the increases insisted that the postal service improve its service so that there would be valid reason for the increases to remain in effect.

But through this welter of testimony the key issues remained. Is this problem of meeting increased mailing costs a life and death matter? Do even the giants of the publishing world, *Time*, *Life*, *Newsweek*, *Reader's Digest*, and others, truly face an uncertain future if these increases are put into effect?

After careful study I have reached some inescapable conclusions.

As far back as 1967, I commented in this House that a crisis was beginning to build in the area of the cost of mailing magazines. I noted at that time the problem that the small, opinion-molding magazines would have. Magazines like *Harper's*, *Saturday Review*, *National Review*, *New Republic*, and the entire range of nonprofit quarterlies were, even then, caught in an ever-tightening squeeze of increased production costs and postal costs—CONGRESSIONAL RECORD, volume 113, part 14, pages 18745-18748.

That problem has now become acute. I am convinced that many magazines of small circulation, those with 250,000 circulation per issue or less, will have a difficult time surviving in the coming years. One major reason is surely the increased cost of postal services.

Throughout our history Congress has always believed magazines have a special role in the expansion of our cultural and educational values. This was one of the reasons we created a preferred mailing rate 178 years ago. The assumption was that the general taxpayer would share in the cost of delivering magazines and newspapers in the same way he shares the cost of building the Nation's highways.

The analogy is a good one. The highways are the conduits of commerce, tying the Nation together economically and socially. Yet no one demands that we should increase highway tolls to the point where our roads are profitable and self-sustaining. Our policy is to keep our roads open for commerce.

In the same way, the mails have become our highway for ideas. Our country and our complicated, many faceted society is tied together through the spreading of information. This applies not only to the mass circulation magazines but also to the smaller publications of churches, labor unions, colleges and scores of other organizations and professional groups. There is no reason for making the cost of using the mails so prohibitive that the commerce of ideas and information is reduced to a trickle.

As I mentioned earlier, I have concluded that many of the smaller magazines may have difficult times ahead and we in the Congress should do what we can to help them maintain the essential goal of freedom of the press as expressed in our Constitution.

In addition to that, it is clear that congressional policy for years has been to foster the continued expansion of all

educational and socially valuable institutions in this country. The key to this whole process has been the publishing industry as a whole. I believe that we should continue, in the most positive manner possible, the long-held policy that all magazines and newspapers have a special role to play in our country and that through whatever manner possible, we should encourage such a role.

Congress has generally supported the inexpensive dissemination of newspapers and magazines through low postal rates. We made the value judgment that promotion of the press was a wise means of expending taxpayer funds. For years, publication mail—magazines and newspapers—have been handled at postal rates below cost. This is not a new policy I propose. In the 24 years following World War II the average annual appropriations Congress deliberately appropriated as the public share of second class was \$283 million. The appropriation grew as high as \$450 million in 1968. These appropriations by Congress were intended to accomplish the objectives of wide diversification of communication media and to insure the availability to all our citizens of readily available and inexpensive reading matter.

The total appropriations we are proposing for second class would amount to little more than \$1 per capita population, a small price indeed to guarantee the benefits of the national press to all citizens. This \$1 compares to present annual public expenditures for education of \$245 for every man, woman and child in the United States now appropriated by local, State, and Federal legislatures.

It is clear, today, however, with the benefit of 2 years of operation under the act and a thorough, reasoned opinion from the Postal Rate Commission that the higher second-class-postal rates, which the postal service and the Postal Rate Commission determined are required by the law, place the Nation's press in a financial dilemma. Although some may be able to adjust to the increases recently approved spread over the transitional periods provided in the act, many may not successfully adapt to the additional postal rate increases that must inevitably follow to cover the increased costs of operating the postal service in the future.

Newspapers and magazines are far too important a communications medium in our society to run that risk. I would rather err on the side of generosity, through increased public support of the Postal Service, than niggardliness, which could seriously injure the press.

As noted earlier, I am particularly concerned about the impact on smaller publications; first, because higher rates fall disproportionately harder on them and, second, because of their extraordinary value to the Nation as organs for the discussion of controversial issues and the expression of minority views. I would quickly add, however, that size is no guarantee of financial survival, nor the only measure of value. Larger publications provide mass communication of information to millions of citizens. And one need only recall the fate of *Look*, *Colliers*, and the *Saturday Evening Post* to

realize that the large have problems too. For that matter, an analogy to Penn Central and Lockheed is not inappropriate.

Congress has recently approved hundreds of millions of dollars in guaranteed loans to save these two companies. It has authorized operation of the Nation's passenger railroad system at an annual cost in excess of \$500 million. Moreover, Congress has never required full cost recovery from users of the public highways or the national parks. Surely the system through which we exchanged ideas and information merits equal congressional concern and consideration.

Consequently, I am today introducing legislation to amend the Postal Reorganization Act. The first point I wish to make about this legislation is that it will in no way interfere with the rate-setting functions of the Postal Rate Commission. That Commission will continue to set rates for second-class mail as for all other classes. My amendment merely determines how much of the postal rates established by the Commission will be paid by the users and how much by the taxpayers through congressional appropriations.

As you know, the current Postal Reorganization Act provides that Congress, through appropriations, will pay part of the second-class rates over the next 5 to 10 years. For example, Congress has appropriated approximately \$230 million for fiscal year 1973 to make up for revenues forgone on second-class postage.

My proposal would accomplish the following:

First. Provide special treatment for small volume publications by providing that the postal rate for the first 250,000 pieces of each issue of a publication shall be only two-thirds of the otherwise applicable rate. The Postal Service estimates that the cost of this proposal in fiscal year 1973 would be \$38.4 million.

Second. Spread the full second-class rate increases over a 10-year phase-in rather than a 5-year phase-in, as we presently do for the nonprofit and other preferential mailers. It is further provided that this 10-year phasing would be achieved through biennial increments until the full rate was reached. The added costs for this would be \$17.4 million in fiscal year 1973.

Third. Provide that any rate increase required under the act for nonprofit publications would be borne by sharing one-half by the second-class user and one-half through appropriation. This provision would apply for nonprofit publications starting with the next step increase July 1, 1974, and would apply to any future rate increase. Regular rate second-class publications would bear the full impact of the present average rate increase of 127 percent and its only relief would be that it is phased over 10 years rather than 5 years. If the Postal Service and Postal Rate Commission determine that future rate increases are necessary for regular rate second class in subsequent rate cases, then the 50-50 sharing would apply. The added cost of this proposal would be approximately \$1.5 million in fiscal year 1973.

Examples of the nonprofit publications we are speaking of here are religious publications, labor publications, and veterans publications. Rates in each of these categories are going up 400 to 800 percent. It is true that their base rates were low but it was public policy to encourage communications in these worthwhile organizations. When we passed the Postal Reorganization Act we thought 10-year phase-in was a sufficient cushion for nonprofit publications. But the tremendous percentage rate increases that have been determined for them are simply overwhelming. Therefore, to provide a further cushion I propose that Congress pick up 50 percent of these future increases.

It will be seen that the added costs of these proposals are not great—about \$19 million plus \$38.4 million for the special treatment for the small publications. Considering the grave threat posed for the publishing industry and the essential role performed by a free and vital press, I believe it is a price the American taxpayer will willingly meet.

This new structure will still require the second-class users to pay an increasingly larger proportion of their postal costs, with an ever-diminishing burden upon the Treasury; but, it will be done in a more gradual way, avoiding the massive and sudden increases which portend disaster for many publications under the present rate structure.

We also heard extensive testimony concerning the difficulties surrounding the appropriation mechanism contained in the Postal Reorganization Act. The mechanism seems to require advance forecasting of costs and revenues, and also invites the intervention of non-postal factors on the part of administration officials—especially in the Office of Management and Budget—who have no connection with the Postal Service. More significantly, however, the present mechanism has created difficulty for the Rate Commission, requiring it to second-guess the intentions of the budget experts and the Appropriations Committees. This was not what the Congress had hoped for in postal reform. Consequently, my amendment contains a further provision which will change the mechanism for appropriating funds to the Postal Service. This will remove what has become a political question and a large uncertainty from the deliberative rate making process. This is accomplished by providing that at the beginning of each fiscal year the Secretary of the Treasury will credit to the Postal Service, from moneys in the Treasury not otherwise appropriated, the amounts authorized by the Postal Reorganization Act.

While I believe the problems we address in this legislative proposal are serious enough to require corrective action, I believe our hearings also confirmed that the Congress was on the right track in enacting postal reform. We knew, of course, that the legislation was not perfect and that subsequent reviews would have to be made and corrective action taken. These amendments deal with the only major matters requiring corrective action at this time.

Our subcommittee will, of course, continue its oversight and report to this body whenever we believe action is required.

Mr. Speaker, let me conclude with a few words of caution. I do not believe there is time for this Congress to act on this proposal this year. I do believe that it should be a matter of first priority when the next Congress meets in January. I submit this bill simply as a proposal for study and discussion. As in any piece of legislation, there are many doors through which we must first pass before it becomes law. I am not wedded to every provision of this proposal but believe that something along these general lines should ultimately be enacted.

BOMBING ORDERS BY GENERAL LAVELLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 5 minutes.

Mr. TIERNAN. Mr. Speaker, the controversy over the bombing orders given by General Lavelle and the possibility that approval was granted by high-ranking officers continues to be investigated by the Senate Armed Services Committee.

It is not the purpose of my remarks today to become involved in the factual issues being investigated by the Senate, but rather to direct my comments to the broader issue which this case illustrates—civilian control of the military.

Senator GOLDWATER has been quoted recently to the effect that he felt that General Lavelle did the right thing in ordering bombing raids in the North in violation of the President's moratorium. According to news accounts, the Senator agreed with the General's actions because an attack on the North was the course he advocated 8 years ago.

Unfortunately, Senator GOLDWATER and General Lavelle have ignored what the Constitution requires and what history has taught us—elected civilian representatives must retain complete control of the military.

Our forefathers had a well-founded fear of monarchs and militarists. Representative government, checks and balances to prevent domination by one branch, and the appointment of the President as Commander in Chief of the Armed Forces, were all designed to protect us from those evils.

Undeniably, this system has served us well. The threat of a military coup in the United States is nil because the principle of civilian control of the military has been rigidly adhered to. That is why President Truman had no choice but to remove General MacArthur during the Korean conflict. It was an unpopular move, but even the slightest encroachment of civilian control is a dangerous precedent. Therefore, General Lavelle and anyone else involved in this affair must be swiftly removed from the military hierarchy. Statements such as those made by Senator GOLDWATER must not be allowed to go unnoticed or unanswered.

The wisdom of our forefathers in establishing civilian control of the military

appears self-evident, but occasionally our leaders stray from the course set by the Constitution. It then becomes necessary to remind the Nation of those principles. Take heed, Senator GOLDWATER.

WEST VIRGINIA HUNTING AND FISHING DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. STAGGERS) is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, it gives me much pleasure to extend this open invitation to you and all Members of Congress to join me and my fellow West Virginians in celebrating our West Virginia State and National Hunting and Fishing Day.

The Mineral County Wildlife Association, with David H. Brantner at the helm, is hosting the celebration in my home town of Keyser, W. Va., beginning on Saturday, September 23, 1972, the date proclaimed by the President for national recognition of Hunting and Fishing Day.

Participating in the 3-day activities in Keyser are representatives and members of the U.S. Forest Service, U.S. Soil Conservation Service, Westvaco Corp. of Luke, Md., the West Virginia Archery Association, West Virginia Bear Hunters Association, West Virginia Trappers Association, State Future Farmers of America, 4-H, and the Boy Scouts of America.

It will be my honor to participate in the dedication ceremonies together with David Brantner and other members of our Mineral County Association, as well as other National and State officials of organizations interested in conservation and outdoor sports.

Private displays will include hunting and fishing trophies which I understand will encompass the largest display of North American big game in the Eastern United States, antique firearms, reloading equipment, modern fire arms, and fishing equipment. Wildlife paintings of the well known artist, Don Whitlatch, will also be on display, as well as many other items of interest to the great outdoors men, women, and children.

Our celebration will continue through September 24, 1972. It would be an honor and pleasure to have you as our guests in my hometown of Keyser, Mineral County, and our beautiful State of West Virginia.

The dedication ceremony for our first West Virginia Hunting and Fishing Day will be held at the Church-McGee Art Center of Potomac State College, and the exhibits are at the National Guard Armory in Keyser. A sincere welcome to all.

TWO GOOD PARENTS ARE BETTER THAN ONE: ONE GOOD PARENT IS BETTER THAN NONE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I have introduced a bill today which will grant a child adopted by a single U.S. citizen the same immigrant status as a child adopted by a U.S. citizen and his spouse. Under the present Immigration and Na-

tionality Act, single U.S. citizens are precluded from bringing into the United States as immediate relatives adopted children born in other countries. Aliens with immediate relative status can enter the United States without having to wait for a quota number for visa issuance. However, young aliens adopted by single persons have to wait for this quota number, usually given under the nonpreference classification which is unavailable for many countries because of oversubscription.

In progressive States like New York single people are allowed to adopt children. It is far better that a child have a home with a single parent than to live in an orphanage. Two good parents are better than one; one good parent is better than none.

Our immigration laws should be updated to give the adopted children of single parents the same immigration privileges given to children adopted by married couples; in human terms, it simply is unjust to discriminate against orphaned children the way the law does today.

I urge our colleagues to support this bill removing this form of discrimination against the adopted child of a single parent.

PERSONAL ANNOUNCEMENT

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, my unavoidable absence has resulted in my not being recorded on several rollcall votes taken in the House recently. Had I been present, I would have voted as follows:

Aye on roll 350, adoption of conference report to accompany H.R. 13089, accelerated reforestation of national forests;

Aye on roll 351, adoption of conference report to accompany H.R. 12350, extending programs funded by the Office of Economic Opportunity. There are many important and valuable OEO projects which depended on passage of this bill for their continued existence. Were it not for this fact, I would have voted against the conference report in order to express my extreme disappointment that the conferees deleted provisions passed by both the House and the Senate establishing an independent public corporation to administer legal services programs presently administered by OEO.

Aye on roll 352, final passage of House Resolution 1106 calling for international sanctions against nations sanctioning acts of terror such as the killing of Israeli Olympic athletes in Munich.

No on roll 353, final passage of H.R. 13514, Wheat Research and Promotion Act.

No on roll 357, motion to recommit H.R. 15550, a bill to transfer waterfront property to the city of Alexandria.

No on roll 359, motion to recommit H.R. 16118, amending the Immigration and Naturalization Act.

No on roll 360, adoption of the rule waiving points of order on the conference

report accompanying H.R. 15495, military procurement authorization bill.

No on roll 361, adoption of the conference report accompanying H.R. 15495, military procurement authorization bill.

Aye on roll 362, adoption of conference report accompanying H.R. 14896, child nutrition bill.

No on roll 363, adoption of a waiving points of order on H.R. 16593, Department of Defense appropriations bill for fiscal year 1973.

Aye on roll 365, adoption of an amendment to the defense appropriations bill restoring funds for the civilianization of KP.

Aye on roll 366, adoption of an amendment to the defense appropriations bill cutting off all funds for the war in Southeast Asia in 4 months, conditioned on release of POW's and accounting for MIA's.

Aye on roll 367, adoption of an amendment to the defense appropriations bill cutting overall appropriations by 5 percent.

No on roll 370, adoption of an amendment to the Labor-HEW appropriations bill exempting small employers from the Occupational Safety and Health Act.

Aye on roll 371, adoption of an amendment to the Labor-HEW appropriations bill increasing funding for bilingual education.

Aye on roll 372, final passage of the Labor-HEW appropriations bill for fiscal year 1973 (H.R. 16654).

Aye on roll 375, final passage of H.R. 15003, the Consumer Product Safety Act.

Aye on roll 376, adoption of the rule for consideration of H.R. 16705, foreign assistance appropriations for fiscal year 1973.

In connection with the conference report on the military procurement authorization bill, I join with those of my colleagues who have denounced the cynical effort of promilitary forces to use the legitimate defense needs of the State of Israel as a hostage to coerce antiwar Congressmen into voting for the bloated Pentagon budget authorized by the bill. The bill which came out of conference was a distinct improvement over the bill I voted against on June 17 when H.R. 15495 was passed by the House. The conferees deleted funding for an anti-ballistic-missile site in the Washington area and eliminated a \$20 million authorization for the Air Force ABRES program for an improved reentry vehicle. Furthermore, the conferees added a provision extending the President's authorization to give military assistance to Israel from September 30, 1972, to December 31, 1973. This provision does not belong in this bill, and it would unquestionably be passed in separate legislation if Congress were to refuse to approve this oversized authorization bill.

My vote against this bill can in no way be considered a retreat from support from the legitimate defense needs of Israel. Rather, it is a protest against continued funding for the war in Southeast Asia and against military waste in programs funded by the bill such as the B-1 bomber, the Trident submarine, and the submarine launched cruise missile system.

WHAT DO WE KNOW ABOUT OUR OWN EDUCATIONAL STANDARDS?

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there is growing concern among parents that their children really are not being educated by the Nation's schools and that something is going to have to be done if our youth—America's most precious natural resource—is to be truly educated and prepared for a useful place in life.

It is now widely held that some kind of evaluation system is going to have to be devised to actually measure the effectiveness of our educational system. There is no doubt that more children than ever before are being exposed to more knowledge than ever before at a cost higher than ever before. But there are serious misgivings that the process results in a good education.

Simply exposing a child to learning does not assure the child or the Nation that good and useful education of the child will be the end result. While most teachers are deeply dedicated to their work, there are those who just show up for class every day, toss some information in the path of the child, and, at the end of the school year, give the child a passing grade in order to get rid of him, and open the way for the process to be continued next year when other children are taken into the classroom.

There also is the growing fad for frills. The fundamentals of education have changed very little through the years. There are new processes which very obviously assist the child in learning, but there also are costly frills and even ultra-expensive buildings for which the need is questionable. This is no way to provide an education, Mr. Speaker. The task of facing up to the problem of evaluating the productivity of a teacher and the actual progress of the student is not one for Congress. But the Congress should ask questions about these matters before we appropriate funds for education with no real understanding of what is being done in the fields of education.

It is disturbing to note the charge leveled by qualified educators that many high school graduates leave school with little more than a basic seventh-grade education. This is not the fault of the students nor can it be attributed to dullards in the classroom. It can only be attributed to the fact that something went wrong in the delicate balance between the teaching and the learning process and that no accurate measure of each was available in order to properly pinpoint the problem.

I am not suggesting the Federal Government embark on a massive program to monitor every classroom, every student, and every teacher. That would be "Big Brotherism" to an extreme degree.

But I believe it is logical to suggest that money alone cannot and will not cure the ills of education in the United States. We have seen in recent years efforts to buy what we have come to call a "good education." For the past quarter century, we have put \$10 into edu-

cation for every \$4 increase in our national wealth. We have hired 12 new teachers for every eight new pupils entering our educational system. Yet there is question that the actual level of education has substantially improved. It is obvious, therefore, that more money and more people are not the only answers. The real answer is the quality of the product. We do not seem to know what we have obtained in the process of seeking a higher level of education.

Perhaps new methods will provide the answers. If so, what are they? Unless we can accurately measure the effectiveness of our educational process, we may stumble blindly along, spending more, and getting less proportionately. Our children will surely fail to meet the challenge of tomorrow if we fail to provide them with the education which they need and for which the taxpayer is footing the bill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PEPPER (at the request of Mr. MILLS of Arkansas), for today, on account of official business.

Mr. MAILLIARD, for next week, on account of official business.

Mr. MCCLORY (at the request of Mr. GERALD R. FORD), from September 20, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FORSYTHE) and to revise and extend their remarks and include therein extraneous matter:)

Mr. BELL, for 5 minutes, on September 25.

Mr. SCHWENGEL, for 10 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. HALPERN, for 10 minutes, today.

Mr. MICHEL, for 10 minutes, today.

(The following Members (at the request of Mr. DENHOLM) and to revise and extend their remarks and include therein extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. REUSS, for 30 minutes, today.

Mr. MELCHER, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. UDALL, for 10 minutes, today.

Mr. TIERNAN, for 5 minutes, today.

Mr. HARRINGTON, for 60 minutes, today.

Mr. STAGGERS, for 5 minutes, today.

Mr. DINGELL, for 60 minutes, on October 3 in tribute to the Honorable THOMAS M. Pelly, of Washington.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CULVER to revise and extend his remarks prior to vote on Gibbons amendment in Committee of the Whole.

Mr. PASSMAN, to include certain extraneous matter and tables with his re-

marks made today in the Committee of the Whole on H.R. 16705.

(The following Members (at the request of Mr. FORSYTHE) and to include additional matter:)

Mr. ZWACH in two instances.

Mr. FINDLEY.

Mr. CHAMBERLAIN.

Mr. WYMAN in two instances.

Mr. SAYLOR.

Mr. NELSEN.

Mr. SCHWENGEL in two instances.

Mr. BOB WILSON.

Mr. ROBISON of New York in two instances.

Mr. MIZELL in five instances.

Mr. GROVER.

Mr. PRICE of Texas in three instances.

Mr. LANDGREBE.

Mr. ESHLEMAN.

Mr. ESCH.

Mr. DU PONT.

Mr. SCHERLE.

Mr. FRENZEL.

Mr. HOSMER in two instances.

(The following Members (at the request of Mr. DENHOLM) and to include extraneous matter:)

Mr. RODINO.

Mr. BRADEMAN in six instances.

Mr. HARRINGTON.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. BRINKLEY.

Mr. NICHOLS in two instances.

Mr. EVINS of Tennessee in three instances.

Mr. ROY.

Mr. FRASER in six instances.

Mr. JACOBS.

Mr. SMITH of Iowa.

Mr. DORN in three instances.

Mr. OBEY in three instances.

Mr. STOKES in three instances.

Mr. ADAMS.

Mr. DINGELL.

Mr. CLARK in two instances.

Mr. MONAGAN.

Mr. JOHNSON of California.

Mr. DOW.

Mr. MANN in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 180. An act for the relief of Kuay Ten Chang (Kuay Hong Chang); to the Committee on the Judiciary.

S. 2518. An act for the relief of Anna Kolbiarz-Sala; to the Committee on the Judiciary.

S. 2818. An act to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol (DES) to any animal intended for use as food, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2901. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Colorado River in the State of Utah for study as a potential component of the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6575. An act to amend the Act entitled "An Act to provide for the disposition of judgment funds now on deposit to the credit of the Cheyenne-Arapaho Tribes of Oklahoma", approved October 31, 1967 (81 Stat. 337);

H.R. 7616. An act to amend section 715 of title 32, United States Code, to authorize the application of local law in determining the effect of contributory negligence on claims involving members of the National Guard;

H.R. 8215. An act to provide relief for certain prewar Japanese bank claimants;

H.R. 12207. An act to authorize a program for the development of tuna and other latent fisheries resources in the Central, Western, and South Pacific Ocean;

H.R. 14173. An act for the relief of Walter Edward Koenig;

H.R. 15865. An act for the relief of Richard L. Krzyzanowski;

H.R. 15927. An act to amend the Railroad Retirement Act of 1937 to provide a temporary 20 per centum increase in annuities, to simplify administration of the Act, and for other purposes; and

H.J. Res. 1193. Joint resolution to provide for the designation of the week which begins on September 24, 1972, as "National Microfilm Week."

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 2185. An act to declare that certain federally owned land is held by the United States in trust for the Lac du Flambeau Band of Lake Superior Chippewa Indians;

H.R. 2589. An act to amend section 1869 of title 28, United States Code, with respect to the information required by a juror qualification form;

H.R. 6204. An act for the relief of John S. Attinello;

H.R. 10436. An act to provide with respect to the inheritance of interests in restricted or trust land within the Nez Perce Indian Reservation, and for other purposes; and

H.R. 14974. An act to amend certain provisions of law relating to the compensation of the Federal representatives on the Southern and Western Interstate Nuclear Boards.

ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 22 minutes p.m.), under its previous order, the House adjourned until Monday, September 25, 1972, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2353. A communication from the President of the United States, transmitting proposals for 16 additions to the national wilderness preservation system, pursuant to 16 U.S.C. 1132, together with the Eighth Annual Report on the Status of the National Wilderness Preservation System, pursuant to 16

U.S.C. 1136 (H. Doc. No. 92-357); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Science and Astronautics. Report on civil aviation research and development: Policies, programs, and problems; (Rept. No. 92-1423). Referred to the Committee of the Whole House on the State of the Union.

Mr. SIKES: Committee on Appropriations. H.R. 16754. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1973, and for other purposes; (Rept. No. 92-1424). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 8756. A bill to provide for the establishment of the Hohokam Pima National Monument in the vicinity of the Snaketown archeological site, Arizona, and for other purposes; with amendments (Rept. No. 92-1425). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 11369. A bill to authorize the Secretary of the Interior to conduct a study to determine the best and most feasible means of protecting and preserving the Great Dismal Swamp and the Dismal Swamp Canal; with an amendment (Rept. No. 92-1426). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. S. 1497. An act to authorize certain additions to the Sitka National Monument in the State of Alaska, and for other purposes; with amendments (Rept. No. 92-1427). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 16732. A bill to amend the Small Business Investment Act of 1958, and for other purposes; with an amendment (Rept. No. 92-1428). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 16704. A bill to consolidate, simplify, and improve laws relating to housing and urban development activities, and for other purposes; with an amendment (Rept. No. 92-1429). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SIKES:

H.R. 16754. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1973, and for other purposes.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER of North Carolina, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, and Mr. HASTINGS):

H.R. 16755. A bill to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL (for himself and Mr. HANNA):

H.R. 16756. A bill to amend the National Science Foundation Act of 1950 in order to

establish a framework of national science policy and to focus the Nation's scientific talent and resources on its priority problems, and for other purposes; to the Committee on Science and Astronautics.

By Mr. CULVER:

H.R. 16757. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicare programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 16758. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. DELLENBACK:

H.R. 16759. A bill to amend title 38 of the United States Code to provide that one-half of any social security benefit increases provided for in Public Law 92-336 be disregarded in determining eligibility for pension or compensation under such title; to the Committee on Veterans' Affairs.

H.R. 16760. A bill to require States to pass along to public assistance recipients who are entitled to social security benefits at least half of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. DOW (for himself, Mr. ABOUREZK, Mrs. ABZUG, Mr. ASPIN, Mr. BELL, Mr. BURKE of Massachusetts, Mr. CELLER, Mrs. CHISHOLM, Mr. CLARK, Mr. CONTE, Mr. DELLUMS, Mr. DRINAN, Mr. EVINS of Tennessee, Mr. GALLAGHER, Mr. GREEN of Pennsylvania, Mr. HANLEY, Mr. HARRINGTON, Mr. HATHAWAY, Mr. HOWARD, Mr. MITCHELL, Mr. MOLLOHAN, Mr. PEPPER, Mr. RANGEL, Mr. RIEGLE, and Mr. RODINO):

H.R. 16761. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. DOW (for himself, Mr. RONCALIO, Mr. ST GERMAIN, Mr. SCHEUER, Mr. SIKES, Mr. TIERNAN, Mr. VAN DEERLIN, Mr. WOLFF, Mr. YATES, Mr. YATRON, and Mr. ZWACH):

H.R. 16762. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. ANDERSON of Tennessee, Mr. BELL, Mr. CLAY, Mr. FAUNTROY, Mr. FULTON, Mr. GREEN of Pennsylvania, Mr. HAMILTON, Mr. MCKINNEY, Mr. MACDONALD of Massachusetts, Mr. JONES of North Carolina, Mr. LONG of Louisiana, Mr. MORGAN, Mr. OBEY, Mr. PEPPER, Mr. PODELL, Mr. PREYER of North Carolina, and Mr. STOKES):

H.R. 16763. A bill to amend the Social Security Act to make certain that recipients

of aid or assistance and medicare programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. GALIFIANAKIS:

H.R. 16764. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. HATHAWAY:

H.R. 16765. A bill to establish a Commission on Mental Health and Illness of the Elderly, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOSMER:

H.R. 16766. A bill to amend title 38 of the United States Code to provide that any social security benefit increases provided for by Public Law 92-336 be disregarded in determining eligibility for pension or compensation under such title; to the Committee on Veterans' Affairs.

By Mr. KOCH:

H.R. 16767. A bill to grant a child adopted by a U.S. citizen the same immigrant status as a child adopted by a U.S. citizen and his spouse; to the Committee on the Judiciary.

By Mr. MCKAY:

H.R. 16768. A bill to amend title II of the Social Security Act to extend the period during which an individual may be entitled to child's insurance benefits on the basis of full-time student status in any case where the individual involved interrupts his education to perform certain missionary service; to the Committee on Ways and Means.

By Mr. MCKINNEY:

H.R. 16769. A bill to amend the Internal Revenue Code of 1954 to reduce the rates of the excise tax on telephone and teletype-writer exchange service for 1973 through 1975 and to eliminate such tax for periods after December 31, 1975; to the Committee on Ways and Means.

By Mr. PEYSER (for himself, Mr. ROBINSON of Virginia, and Mr. STOKES):

H.R. 16770. A bill to prevent the use of heroin for any drug maintenance program; to the committee on Interstate and Foreign Commerce.

By Mr. PODELL:

H.R. 16771. A bill to provide for the rational financing of education; to the Committee on Education and Labor.

By Mr. SEIBERLING (for himself, Mr. LEGGETT, Mr. ASPIN, Mr. DANIELSON, Mr. EILBERG, Mr. DELLUMS, Mr. HELSTOSKI, Mr. HATHAWAY, and Mrs. ABZUG):

H.R. 16772. A bill to provide comprehensive adjustment benefits and services to unemployed workers, and for other purposes; to the Committee on Education and Labor.

By Mr. SEIBERLING (for himself, Mr. LEGGETT, Mr. ASPIN, Mr. DANIELSON, Mr. EILBERG, Mr. DELLUMS, Mr. ST GERMAIN, Mr. HELSTOSKI, and Mr. HATHAWAY):

H.R. 16773. A bill to amend the tax and customs laws in order to improve the U.S. position in foreign trade, and for other purposes; to the Committee on Ways and Means.

By Mr. ESCH (for himself, Mr. BROWN of Michigan, Mr. BUCHANAN, Mr. DERWINSKI, Mr. DRINAN, Mr. EILBERG, Mr. FRENZEL, Mrs. GRIFFITHS, Mr. GUDE, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. MATSUNAGA, Mr. MAZZOLI, Mr. MOORHEAD, Mr. MURPHY of New

York, Mr. RIEGLE, and Mr. SCHWEN-
GEL):

H.R. 16774. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

By Mr. FRASER:

H.R. 16775. A bill to expand the Youth Conservation Corps pilot program, to authorize assistance for similar State programs, and for other purposes; to the Committee on Education and Labor.

By Mr. HOLIFIELD:

H.R. 16776. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medical programs (and recipients of assistance under the veterans pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. HUNGATE:

H.R. 16777. A bill to provide for disclosures designed to inform the Congress with respect to legislative measures, and for other purposes; to the Committee on Standards of Official Conduct.

H.R. 16778. A bill to provide for disclosures designed to inform Congress with respect to legislative measures, and for other purposes; to the Committee on Standards of Official Conduct.

By Mr. McKEVITT (for himself, Mr. BLACKBURN, Mr. DEL CLAWSON, Mr. CLEVELAND, Mr. DERWINSKI, Mr. GERALD R. FORD, Mr. FRENZEL, Mr. MAZZOLI, Mr. PIKE, Mr. RANDALL, and Mr. WARE):

H.R. 16779. A bill to amend the Social Security Act to prohibit the payment of aid or assistance under approved State public assistance plans to aliens who are illegally within the United States; to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 16780. A bill to change the formula for calculating the value of wheat marketing certificates and feed grain price support payments; to the Committee on Agriculture.

By Mr. REID:

H.R. 16781. A bill to prohibit tax deductions for expenses incurred in the production or publishing of false advertising; to the Committee on Ways and Means.

By Mr. ROY (for himself, Mr. ROGERS, Mr. KYROS, Mr. PREYER of North Carolina, Mr. SYMINGTON, Mr. NELSEN, and Mr. CARTER):

H.R. 16782. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL:

H.R. 16783. A bill to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended, to create the bicentennial film program; to the Committee on Judiciary.

By Mr. UDALL:

H.R. 16784. A bill to amend title 39, United States Code, with respect to the financing of the cost of mailing certain matter free of postage or at reduced rates of postage, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FREY (for himself, Mr. ALEXANDER, Mr. ANDERSON of Illinois, Mr. ARCHER, Mr. DERWINSKI, Mr. FASCELL, Mr. FORSYTHE, Mr. FRENZEL, Mrs. HECKLER of Massachusetts, Mr. HOSMER, Mr. HARRINGTON, Mr. MAILLIARD, Mr. PEPPER, Mr. ROBINSON of Virginia, Mr. THONE, Mr. VEYSEY, and Mr. WARE):

H. Con. Res. 708. Concurrent resolution to require a court impact statement in each report of legislation from a committee of either House of Congress to that House; to the Committee on Rules.

By Mr. DANIELSON:

H. Res. 1125. Resolution in support of the U.S. veto of the United Nations resolution on terrorism; to the Committee on Foreign Affairs.

By Mr. FULTON:

H. Res. 1126. Resolution to prohibit any notice of an increase in social security payments from referring to any individual who is a candidate for public elective office; to the Committee on Ways and Means.

By Mrs. GREEN of Oregon (for herself, Mrs. CHISHOLM, Mrs. GRASSO, Mr. HANSEN of Idaho, Mr. PERKINS, Mrs. HICKS of Massachusetts, and Mrs. MINK):

H. Res. 1127. Resolution to authorize additional investigative authority to the Committee on Education and Labor; to the Committee on Rules.

By Mr. SCHEUER (for himself, Mr. THOMPSON of New Jersey, Mr. TIERNAN, Mr. VANIK, Mr. VIGORITO, Mr. WHALEN, Mr. BOB WILSON, Mr. WYATT, Mr. WYDLER, Mr. CONABLE, and Mr. HALPERN):

H. Res. 1128. Resolution in support of U.S. veto of U.N. resolution on terrorism; to the Committee on Foreign Affairs.

By Mr. SCHEUER (for himself, Mr. McCLORY, Mr. McDONALD of Michigan, Mr. MACDONALD of Massachusetts, Mr. MAILLIARD, Mr. METCALFE, Mr. MURPHY of New York, Mr. PATTEN, Mr. PEPPER, Mr. PEYSER, Mr. PICKLE, Mr. PIKE, Mr. PODELL, Mr. PRICE of Illinois, Mr. REES, Mr. RODINO, Mr. ROGERS, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. SARBANES, Mr. SCHWENGLER, Mr. SISK, Mr. STEIGER of

Wisconsin, Mr. SYMINGTON, Mr. THOMPSON of Georgia):

H. Res. 1129. Resolution in support of U.S. veto of U.N. resolution on terrorism; to the Committee on Foreign Affairs.

By Mr. SCHEUER (for himself, Mrs. COUGHLIN, Mr. DANIEL of Virginia, Mr. DANIELS of New Jersey, Mr. DERWINSKI, Mr. DOW, Mr. DUNCAN, Mrs. DWYER, Mr. ERLBORN, Mr. FASCELL, Mr. FISH, Mr. FISHER, Mr. FRELING-HUYSEN, Mr. FRENZEL, Mr. GREEN of Pennsylvania, Mr. GUDE, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. HILLIS, Mr. HORTON, Mr. HOSMER, Mr. HOWARD, Mr. KOCH, Mr. KYROS, and Mr. LENT):

H. Res. 1130. Resolution in support of U.S. veto of U.N. resolution on terrorism; to the Committee on Foreign Affairs.

By Mr. SCHEUER (for himself, Mrs. ABZUG, Mr. ADDABO, Mr. ALEXANDER, Mr. ANDERSON of Illinois, Mr. ARCHER, Mr. ASPIN, Mr. BELL, Mr. BIESTER, Mr. BINGHAM, Mr. BRADENAS, Mr. BRASCO, Mr. BRINKLEY, Mr. BUCHANAN, Mr. BUKE of Massachusetts, Mr. BYRNE of Pennsylvania, Mr. CAREY of New York, Mr. CASEY of Texas, Mr. CLANCY, Mr. CLARK, Mr. COLLIER, Mr. COLLINS of Illinois, Mr. CONOVER, Mr. CORDOVA, and Mr. COTTER):

H. Res. 1131. Resolution in support of U.S. veto of U.N. resolution on terrorism; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL of Virginia:

H.R. 16785. A bill for the relief of Thomas A. Lucid; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.R. 16786. A bill for the relief of Vincenzo Greco; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 16787. A bill for the relief of Martin Tarnowsky and John Tarnowsky; to the Committee on the Judiciary.

By Mr. HOGAN:

H.R. 16788. A bill for the relief of James E. Miller; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 16789. A bill for the relief of Rito E. Judilla; to the Committee on the Judiciary.

H.R. 16790. A bill for the relief of Virna J. Pasican; to the Committee on the Judiciary.

By Mr. ROY:

H.R. 16791. A bill for the relief of Mrs. Clare McManigal; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

CONVOCATION ADDRESS BY VICE
ADM. STANSFIELD TURNER, PRES-
IDENT, U.S. NAVAL WAR COLLEGE

HON. JOHN O. PASTORE

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES
Thursday, September 21, 1972

Mr. PASTORE. Mr. President, we in Rhode Island are very proud of our naval installation. There is an impressive naval tradition relationship between our State, its people, and the Navy. Our new president of the U.S. Naval War College is

Vice Adm. Stansfield Turner, and at a recent convocation he made a very impressive and, I think, provocative talk. I ask unanimous consent that his speech be printed in the Extension of Remarks.

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

CONVOCATION ADDRESS BY PRESIDENT OF
NAVAL WAR COLLEGE

Good morning.

Welcome to distinguished guests and families.

I extend a warm welcome to the students of the 89th session of the Naval War College.

You are now the newest matriculants in the oldest Naval War College in the world.

In the Naval Warfare Course, you are 188 strong at the CDR/CAPT level. Fifty percent of you are U.S. Naval Officers. The rest are Army, Air Force, Marine Corps, Coast Guard, State Department, CIA, naval and defense civilians.

In the Command and Staff Course, you are 232 strong at the LT/LCDR level. Two thirds are Navy.

In our two International courses you are 46 strong representing 35 different Navies.

Our total student body is 467.

Our 89th session will have a number of unique characteristics:

1. This is the first year that we have had an academic convocation.