

the President under subsection (a) of section 3066, in grade as follows:

*To be lieutenant general*

Maj. Gen. Allen Mitchell Burdett, Jr., xxx-xx-xx, U.S. Army.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army

under the provisions of title 10, United States Code, section 593a and 3392:

*To be major general*

Brig. Gen. William McGilvery Buck, SSN, xxx-xx-xxxx.

Brig. Gen. Evan Albert Turnage, E3N, xxx-xx-xx.

*IN THE NAVY*

Rear Adm. Oliver H. Perry, Jr., U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

## HOUSE OF REPRESENTATIVES—Thursday, July 26, 1973

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*May the God of hope fill you with all joy and peace in believing.—Romans 15: 13.*

Most Gracious God, grant that during the hours of this day we may walk in the way of Thy word and live by the light of Thy love that the minutes may be radiant with the glory of Thy presence and resplendent with devoted service to our beloved country.

Deliver us from prejudice and pride and lead us to the higher plane of humility and hope that in all our endeavors we may keep in mind the welfare of our Nation and the well-being of all mankind.

Guide these leaders of our people that they may make wise decisions and plan sound programs which will issue in a greater spirit of unity and peace in our world.

In the spirit of the Prince of Peace we pray. 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 SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 1672) entitled "An act to amend the Small Business Act," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. PROXMIRE, Mr. STEVENSON, Mr. CRANSTON, Mr. TOWER, Mr. TAFT, and Mr. WEICKER to be the conferees on the part of the Senate.

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

S. 1559. An act to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes.

S. 1828. An act to require that certain Federal offices be filled by appointment by the President by and with the advice and consent of the Senate; and

S. 1983. An act to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes.

### PERMISSION TO FILE CONFERENCE REPORT ON S. 502, FEDERAL AID HIGHWAY ACT OF 1973, UNTIL MIDNIGHT TOMORROW

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tomorrow night to file the conference report on the bill S. 502, the Federal Aid Highway Act of 1973.

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

There was no objection.

### MAJORITY LEADER THOMAS P. O'NEILL, JR., COMPLIMENTS THE HOUSE UPON PASSAGE OF IMPOUNDMENT CONTROL AND WAR POWERS BILLS

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

Mr. O'NEILL. Mr. Speaker, I think congratulations are in order to the House for its historic action yesterday in passing the impoundment control legislation.

That bill, together with the war powers resolution passed last week, go far toward reasserting two of the most important congressional powers: the responsibility to be guardian of the purse, and the responsibility to declare—or not to declare—war.

Both bills now must go into conference with the other body. But I think we have here a clear expression of congressional intention in both bodies to reclaim the power usurped by the executive branch.

I understand that both bills, in whatever form they may emerge from conference, face vetoes.

This would mean that although Congress has done much, it must do still more to reestablish—firmly and beyond dispute—its control of the powers and responsibilities imposed upon it by the Constitution.

### CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 387]

Aldabbo	Blackburn	Carey, N.Y.
Andrews, N.C.	Blatnik	Chisholm
Arends	Bolling	Clark
Ashley	Burke, Calif.	Collins, Ill.
Badillo	Camp	Crane

Eckhardt	Holtzman	Reid
Edwards, Calif.	Jones, Okla.	Roe
Evans, Colo.	Landgrabe	Rosen, N.Y.
Evins, Tenn.	Landrum	Rosenthal
Fisher	Lott	Russelot
Frenzel	Madigan	Ryan
Gettys	McDade	Sarasin
Gialmo	Milford	Stephens
Goldwater	Mills, Ark.	Stokes
Gray	Mitchell, Md.	Stuckey
Griffiths	Moorhead, Calif.	Thompson, N.J.
Gubser	Murphy, Ill.	Vander Jagt
Gunter	Murphy, N.Y.	Veysey
Hanna	Nelsen	Wilson
Hansen, Wash.	Nix	Charles, Tex.
Harsha	Powell, Ohio	Winn
Hawkins	Rangel	Wolf
Hebert	Regula	Young, Ga.

The SPEAKER. On this rollcall 364 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### CONFERENCE REPORT ON H.R. 8152, LAW ENFORCEMENT ASSISTANCE AMENDMENTS

Mr. RODINO submitted the following conference report and statement on the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes:

#### CONFERENCE REPORT (H. REPT. No. 93-401)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Crime Control Act of 1973".

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended to read as follows:

#### "TITLE I—LAW ENFORCEMENT ASSISTANCE

##### "DECLARATION AND PURPOSE

"Congress finds, that the high incidence of crime in the United States threatens the peace, security, and general welfare of the Nation and its citizens. To reduce and prevent crime and juvenile delinquency, and to insure the greater safety of the people, law enforcement and criminal justice efforts must be better coordinated, intensified, and made more effective at all levels of government.

"Congress finds further that crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively.

"It is therefore the declared policy of the

Congress to assist State and local governments in strengthening and improving law enforcement and criminal justice at every level by national assistance. It is the purpose of this title to (1) encourage States and units of general local government to develop and adopt comprehensive plans based upon their evaluation of State and local problems of law enforcement and criminal justice; (2) authorize grants to States and units of local government in order to improve and strengthen law enforcement and criminal justice; and (3) encourage research and development directed toward the improvement of law enforcement and criminal justice and the development of new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals.

#### "PART A—LAW ENFORCEMENT ASSISTANCE ADMINISTRATION"

"Sec. 101. (a) There is hereby established within the Department of Justice, under the general authority of the Attorney General, a Law Enforcement Assistance Administration (hereinafter referred to in this title as 'Administration') composed of an Administrator of Law Enforcement Assistance and two Deputy Administrators of Law Enforcement Assistance, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) The Administrator shall be the head of the agency. One Deputy Administrator shall be designated the Deputy Administrator for Policy Development. The second Deputy Administrator shall be designated the Deputy Administrator for Administration.

#### "PART B—PLANNING GRANTS"

"Sec. 201. It is the purpose of this part to encourage States and units of general local government to develop and adopt comprehensive law enforcement and criminal justice plans based on their evaluation of State and local problems of law enforcement and criminal justice.

"Sec. 202. The Administration shall make grants to the States for the establishment and operation of State law enforcement and criminal justice planning agencies (hereinafter referred to in this title as 'State planning agencies') for the preparation, development, and revision of the State plan required under section 303 of this title. Any State may make application to the Administration for such grants within six months of the date of enactment of this Act.

"Sec. 203. (a) A grant made under this part to a State shall be utilized by the State to establish and maintain a State planning agency. Such agency shall be created or designated by the chief executive of the State and shall be subject to his jurisdiction. The State planning agency and any regional planning units within the State shall, within their respective jurisdictions, be representative of the law enforcement and criminal justice agencies, units of general local government, and public agencies maintaining programs to reduce and control crime and may include representatives of citizen, professional, and community organizations. The regional planning units within the State shall be comprised of a majority of local elected officials.

"(b) The State planning agency shall—

"(1) develop, in accordance with part C, a comprehensive statewide plan for the improvement of law enforcement and criminal justice throughout the State;

"(2) define, develop, and correlate programs and projects for the State and the units of general local government in the State or combinations of States or units for improvement in law enforcement and criminal justice; and

"(3) establish priorities for the improve-

ment in law enforcement and criminal justice throughout the State.

"(c) The State planning agency shall make such arrangements as such agency deems necessary to provide that at least 40 per centum of all Federal funds granted to such agency under this part for any fiscal year will be available to units of general local government or combinations of such units to enable such units and combinations of such units to participate in the formulation of the comprehensive State plan required under this part. The Administration may waive this requirement, in whole or in part, upon a finding that the requirement is inappropriate in view of the respective law enforcement and criminal justice planning responsibilities exercised by the State and its units of general local government and that adherence to the requirement would not contribute to the efficient development of the State plan required under this part. In allocating funds under this subsection, the State planning agency shall assure that major cities and counties within the State receive planning funds to develop comprehensive plans and coordinate functions at the local level. Any portion of such 40 per centum in any State for any fiscal year not required for the purpose set forth in this subsection shall be available for expenditure by such State agency from time to time on dates during such year as the Administration may fix, for the development by it of the State plan required under this part.

"(d) The State planning agency and any other planning organization for the purposes of the title shall hold each meeting open to the public, giving public notice of the time and place of such meeting, and the nature of the business to be transacted, if final action is taken at that meeting on (A) the State plan, or (B) any application for funds under this title. The State planning agency and any other planning organization for the purposes of the title shall provide for public access to all records relating to its functions under this Act, except such records as are required to be kept confidential by any other provisions of local, State, or Federal law.

"Sec. 204. A Federal grant authorized under this part shall not exceed 90 per centum of the expenses incurred by the State and units of general local government under this part, and may be up to 100 per centum of the expenses incurred by regional planning units under this part. The non-Federal funding of such expenses, shall be of money appropriated in the aggregate by the State or units of general local government, except that the State shall provide in the aggregate not less than one-half of the non-Federal funding required of units of general local government under this part.

"Sec. 205. Funds appropriated to make grants under this part for a fiscal year shall be allocated by the Administration among the States for use therein by the State planning agency or units of general local government, as the case may be. The Administration shall allocate \$200,000 to each of the States; and it shall then allocate the remainder of such funds available among the States according to their relative populations.

#### "PART C—GRANTS FOR LAW ENFORCEMENT PURPOSES"

"Sec. 301. (a) It is the purpose of this part to encourage States and units of general local government to carry out programs and projects to improve and strengthen law enforcement and criminal justice.

"(b) The Administration is authorized to make grants to States having comprehensive State plans approved by it under this part, for:

"(1) Public protection, including the development, demonstration, evaluation, im-

plementation, and purchase of methods, devices, facilities, and equipment designed to improve and strengthen law enforcement and criminal justice and reduce crime in public and private places.

"(2) The recruiting of law enforcement and criminal justice personnel and the training of personnel in law enforcement and criminal justice.

"(3) Public education relating to crime prevention and encouraging respect for law and order, including education programs in schools and programs to improve public understanding of and cooperation with law enforcement and criminal justice agencies.

"(4) Constructing buildings or other physical facilities which would fulfill or implement the purpose of this section, including local correctional facilities, centers for the treatment of narcotic addicts, and temporary courtroom facilities in areas of high crime incidence.

"(5) The organization, education, and training of special law enforcement and criminal justice units to combat organized crime, including the establishment and development of State organized crime prevention councils, the recruiting and training of special investigative and prosecuting personnel, and the development of systems for collecting, storing, and disseminating information relating to the control of organized crime.

"(6) The organization, education, and training of regular law enforcement and criminal justice officers, special law enforcement and criminal justice units, and law enforcement reserve units for the prevention, detection, and control of riots and other violent civil disorders, including the acquisition of riot control equipment.

"(7) The recruiting, organization, training, and education of community service officers to serve with and assist local and State law enforcement and criminal justice agencies in the discharge of their duties through such activities as recruiting; improvement of police-community relations and grievance resolution mechanisms; community patrol activities; encouragement of neighborhood participation in crime prevention and public safety efforts; and other activities designed to improve police capabilities, public safety and the objectives of this section: *Provided*, That in no case shall a grant be made under this subcategory without the approval of the local government or local law enforcement and criminal justice agency.

"(8) The establishment of a Criminal Justice Coordinating Council for any unit of general local government or any combination of such units within the State, having a population of two hundred and fifty thousand or more, to assure improved planning and coordination of all law enforcement and criminal justice activities.

"(9) The development and operation of community-based delinquent prevention and correctional programs, emphasizing halfway houses and other community-based rehabilitation centers for initial preconviction or post-conviction referral of offenders; expanded probationary programs, including paraprofessional and volunteer participation; and community service centers for the guidance and supervision of potential repeat youthful offenders.

"(10) The establishment of interstate metropolitan regional planning units to prepare and coordinate plans of State and local governments and agencies concerned with regional planning for metropolitan areas.

"(c) The portion of any Federal grant made under this section for the purposes of paragraph (4) of subsection (b) of this section may be up to 50 per centum of the cost of the program or project specified in the application for such grant. The portion of any Federal grant made under this section



to be used for any other purpose set forth in this section may be up to 90 per centum of the cost of the program or project specified in the application for such grant. No part of any grant made under this section for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under this section to an Indian tribe or other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the cost of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. The non-Federal funding of the cost of any program or project shall be of money appropriated in the aggregate, by State or individual units of government, for the purpose of the shared funding of such programs or projects.

"(d) Not more than one-third of any grant made under this section may be expended for the compensation of police and other regular law enforcement and criminal justice personnel. The amount of any such grant expended for the compensation of such personnel shall not exceed the amount of State or local funds made available to increase such compensation. The limitations contained in this subsection shall not apply to the compensation of personnel for time engaged in conducting or undergoing training programs or to the compensation of personnel engaged in research, development, demonstration or other short-term programs.

"Sec. 302. Any State desiring to participate in the grant program under this part shall establish a State planning agency as described in part B of this title and shall within six months after approval of a planning grant under part B submit to the Administration through such State planning agency a comprehensive State plan developed pursuant to part B of this title.

"Sec. 303. (a) The Administration shall make grants under this title to a State planning agency if such agency has on file with the Administration an approved comprehensive State plan (not more than one year in age) which conforms with the purposes and requirements of this title. No State plan shall be approved as comprehensive unless the Administration finds that the plan provides for the allocation of adequate assistance to deal with law enforcement and criminal justice problems in areas characterized by both high crime incidence and high law enforcement and criminal justice activity. No State plan shall be approved as comprehensive, unless it includes a comprehensive program, whether or not funded under this title, for the improvement of juvenile justice. Each such plan shall—

"(1) provide for the administration of such grants by the State planning agency;

"(2) provide that at least the per centum of Federal assistance granted to the State planning agency under this part for any fiscal year which corresponds to the per centum of the State and local law enforcement expenditures funded and expended in the immediately preceding fiscal year by units of general local government will be made available to such units as combinations of such units in the immediately following fiscal year for the development and implementation of programs and projects for the improvement of law enforcement and criminal justice, and that with respect to such programs or projects the State will provide in the aggregate not less than one-half of the non-Federal funding. Per centum determinations under this paragraph for law enforcement funding and expenditures for such immediately preceding fiscal year shall be based upon the most accurate and complete data available for such fiscal year or

for the last fiscal year for which such data are available. The Administration shall have the authority to approve such determinations and to review the accuracy and completeness of such data;

"(3) adequately take into account the needs and requests of the units of general local government in the State and encourage local initiative in the development of programs and projects for improvements in law enforcement and criminal justice, and provide for an appropriately balanced allocation of funds between the State and the units of general local government in the State and among such units;

"(4) provide for procedures under which plans may be submitted to the State planning agency for approval or disapproval, in whole or in part, annually from units of general local government or combinations thereof having a population of at least two hundred and fifty thousand persons to use funds received under this part to carry out a comprehensive plan consistent with the State comprehensive plan for the improvement of law enforcement and criminal justice in the jurisdiction covered by the plan;

"(5) incorporate innovations and advanced techniques and contain a comprehensive outline of priorities for the improvement and coordination of all aspects of law enforcement and criminal justice, dealt with in the plan, including descriptions of: (A) general needs and problems; (B) existing systems; (C) available resources; (D) organizational systems and administrative machinery for implementing the plan; (E) the direction, scope, and general types of improvements to be made in the future; and (F) to the extent appropriate, the relationship of the plan to other relevant State or local law enforcement and criminal justice, plans and systems;

"(6) provide for effective utilization of existing facilities and permit and encourage units of general local government to combine or provide for cooperative arrangements with respect to services, facilities, and equipment;

"(7) provide for research and development;

"(8) provide for appropriate review of procedures of actions taken by the State planning agency disapproving an application for which funds are available or terminating or refusing to continue financial assistance to units of general local government or combinations of such units;

"(9) demonstrate the willingness of the State and units of general local government to assume the costs of improvements funded under this part after a reasonable period of Federal assistance;

"(10) demonstrate the willingness of the State to contribute technical assistance or services for programs and projects contemplated by the statewide comprehensive plan and the programs and projects contemplated by units of general local government or combinations of such units;

"(11) set forth policies and procedures designed to assure that Federal funds made available under this title will be so used as not to supplant State or local funds, but to increase the amounts of such funds that would in the absence of such Federal funds be made available for law enforcement and criminal justice;

"(12) provide for such fund accounting, audit, monitoring, and evaluation procedures as may be necessary to assure fiscal control, proper management, and disbursement of funds received under this title;

"(13) provide for the maintenance of such data and information, and for the submission of such reports in such form, at such times, and containing such data and information as the National Institute for Law Enforcement and Criminal Justice may reasonably require to evaluate pursuant to section 402(c) programs and projects carried out

under this title and as the Administration may reasonably require to administer other provisions of this title;

"(14) provide funding incentives to those units of general local government that coordinate or combine law enforcement and criminal justice functions or activities with other such units within the State for the purpose of improving law enforcement and criminal justice; and

"(15) provide for procedures that will insure that (A) all applications by units of general local government or combinations thereof to the State planning agency for assistance shall be approved or disapproved, in whole or in part, no later than ninety days after receipt by the State planning agency, (B) if not disapproved (and returned with the reasons for such disapproval, including the reasons for the disapproval of each fairly severable part of such application which is disapproved within ninety days of such application, any part of such application which is not so disapproved shall be deemed approved for the purposes of this title, and the State planning agency shall disburse the approved funds to the applicant in accordance with procedures established by the Administration, (C) the reasons for disapproval of such application or any part thereof, in order to be effective for the purposes of this section, shall contain a detailed explanation of the reasons for which such application or any part thereof was disapproved, or an explanation of what supporting material is necessary for the State planning agency to evaluate such application, and (D) disapproval of any application or part thereof shall not preclude the resubmission of such application or part thereof to the State planning agency at a later date.

Any portion of the per centum to be made available pursuant to paragraph (2) of this section in any State in any fiscal year not required for the purposes set forth in such paragraph (2) shall be available for expenditure by such State agency from time to time on dates during such year as the Administration may fix, for the development and implementation of programs and projects for the improvement of law enforcement and criminal justice and in conformity with the State plan.

"(b) No approval shall be given to any State plan unless and until the Administration finds that such plan reflects a determined effort to improve the quality of law enforcement and criminal justice throughout the State. No award of funds which are allocated to the States under this title on the basis of population shall be made with respect to a program or project other than a program or project contained in an approved plan.

"(c) No plan shall be approved as comprehensive unless it establishes statewide priorities for the improvement and coordination of all aspects of law enforcement and criminal justice, and considers the relationships of activities carried out under this title to related activities being carried out under other Federal programs, the general types of improvements to be made in the future, the effective utilization of existing facilities, the encouragement of cooperative arrangements between units of general local government, innovations and advanced techniques in the design of institutions and facilities, and advanced practices in the recruitment, organization, training, and education of law enforcement and criminal justice personnel. It shall thoroughly address improved court and correctional programs and practices throughout the State.

"Sec. 304. State planning agencies shall receive applications for financial assistance from units of general local government and combinations of such units. When a State planning agency determines that such an application is in accordance with the pur-

poses stated in section 301 and is in conformance with any existing statewide comprehensive law enforcement plan, the State planning agency is authorized to disburse funds to the applicant.

"Sec. 305. Where a State has failed to have a comprehensive State plan approved under this title within the period specified by the Administration for such purpose, the funds allocated for such State under paragraph (1) of section 306(a) of this title shall be available for reallocation by the Administration under paragraph (2) of section 306(a).

"Sec. 309. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

"(1) Eighty-five per centum of such funds shall be allocated among the States according to their respective populations for grants to State planning agencies.

"(2) Fifteen per centum of such funds, plus any additional amounts made available by virtue of the application of the provisions of sections 305 and 509 of this title to the grant of any State, may, in the discretion of the Administration, be allocated among the States for grants to State planning agencies, units of general local government, combinations of such units, or private nonprofit organizations, according to the criteria and on the terms and conditions the Administration determines consistent with this title.

Any grant made from funds available under paragraph (2) of this subsection may be up to 90 per centum of the cost of the program or project for which such grant is made. No part of any grant under such paragraph for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under such paragraph to an Indian tribe or other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the costs of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. The limitations on the expenditure of portions of grants for the compensation of personnel in subsection (d) of section 301 of this title shall apply to a grant under such paragraph. The non-Federal share of the cost of any program or project to be funded under this section shall be of money appropriated in the aggregate by the State or units of general local government, or provided in the aggregate by a private nonprofit organization. The Administration shall make grants in its discretion under paragraph (2) of this subsection in such a manner as to accord funding incentives to those States or units of general local government that coordinate law enforcement and criminal justice functions and activities with other such States or units of general local government thereof for the purpose of improving law enforcement and criminal justice.

"(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year for grants to the State planning agency of the State will not be required by the State, or that the State will be unable to qualify to receive any portion of the funds under the requirements of this part, that portion shall be available for reallocation to other States under paragraph (1) of subsection (a) of this section.

"Sec. 307. In making grants under this part, the Administration and each State planning agency, as the case may be, shall give special emphasis, where appropriate or feasible, to programs and projects dealing with the prevention, detection, and control of organized crime and of riots and other violent civil disorders.

"Sec. 308. Each State plan submitted to the Administration for approval under section 302 shall be either approved or disapproved, in whole or in part, by the Administration no later than ninety days after the date of submission. If not disapproved (and returned with the reasons for such disapproval) within such ninety days of such application, such plan shall be deemed approved for the purposes of this title. The reasons for disapproval of such plan, in order to be effective for the purposes of this section, shall contain an explanation of which requirements enumerated in section 302(b) such plan fails to comply with, or an explanation of what supporting material is necessary for the Administration to evaluate such plan. For the purposes of this section, the term 'date of submission' means the date on which a State plan which the State has designated as the 'final State plan application' for the appropriate fiscal year is delivered to the Administration.

**"PART D—TRAINING, EDUCATION, RESEARCH, DEMONSTRATION, AND SPECIAL GRANTS**

SEC. 401. It is the purpose of this part to provide for and encourage training, education, research, and development for the purpose of improving law enforcement and criminal justice, and developing new methods for the prevention and reduction of crime, and the detection and apprehension of criminals.

"Sec. 402. (a) There is established within the Department of Justice a National Institute of Law Enforcement and Criminal Justice (hereafter referred to in this part as 'Institute'). The Institute shall be under the general authority of the Administration. The chief administrative officer of the Institute shall be a Director appointed by the Administrator. It shall be the purpose of the Institute to encourage research and development to improve and strengthen law enforcement and criminal justice, to disseminate the results of such efforts to State and local governments, and to assist in the development and support of programs for the training of law enforcement and criminal justice personnel.

"(b) The Institute is authorized—

"(1) to make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations to conduct research, demonstrations, or special projects pertaining to the purposes described in this title, including the development of new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and criminal justice;

"(2) to make continuing studies and undertake programs of research to develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and criminal justice, including, but not limited to, the effectiveness of projects or programs carried out under this title;

"(3) to carry out programs of behavioral research designed to provide more accurate information on the causes of crime and the effectiveness of various means of preventing crime, and to evaluate the success of correctional procedures;

"(4) to make recommendations for action which can be taken by Federal, State, and local governments and by private persons and organizations to improve and strengthen law enforcement and criminal justice;

"(5) to carry out programs of instructional assistance consisting of research fellowships for the programs provided under this section, and special workshops for the presentation and dissemination of information resulting from research, demonstrations, and special projects authorized by this title;

"(6) to assist in conducting, at the request of a State or a unit of general local government or a combination thereof, local or re-

gional training programs for the training of State and local law enforcement and criminal justice personnel, including but not limited to those engaged in the investigation of crime and apprehension of criminals, community relations, the prosecution or defense of those charged with crime, corrections, rehabilitation, probation and parole of offenders. Such training activities shall be designed to supplement and improve rather than supplant the training activities of the State and units of general local government and shall not duplicate the training activities of the Federal Bureau of Investigation under section 404 of this title. While participating in the training program or traveling in connection with participation in the training program, State and local personnel shall be allowed travel expenses and a per diem allowance in the same manner as prescribed under section 5703(b) of title 5, United States Code, for persons employed intermittently in the Government service;

"(7) to carry out a program of collection and dissemination of information obtained by the Institute or other Federal agencies, public agencies, institutions of higher education, or private organizations engaged in projects under this title, including information relating to new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement; and

"(8) to establish a research center to carry out the programs described in this section.

"(c) The Institute shall serve as a national and international clearinghouse for the exchange of information with respect to the improvement of law enforcement and criminal justice, including but not limited to police, courts, prosecutors, public defenders, and corrections.

"The Institute shall undertake, where possible, to evaluate various programs and projects carried out under this title to determine their impact upon the quality of law enforcement and criminal justice and the extent to which they have met or failed to meet the purposes and policies of this title, and shall disseminate such information to State planning agencies and, upon request, to units of general local government.

"The Institute shall, before the end of the fiscal year ending June 30, 1976, survey existing and future personnel needs of the Nation in the field of law enforcement and criminal justice and the adequacy of Federal, State and local programs to meet such needs. Such survey shall specifically determine the effectiveness and sufficiency of the training and academic assistance programs carried out under this title and relate such programs to actual manpower and training requirements in the law enforcement and criminal justice field. In carrying out the provisions of this section, the Director of the Institute shall consult with and make maximum use of statistical and other related information of the Department of Labor, Department of Health, Education, and Welfare, Federal, State and local criminal justice agencies and other appropriate public and private agencies. The Administration shall thereafter, within a reasonable time develop and issue guidelines, based upon the need priorities established by the survey, pursuant to which project grants for training and academic assistance programs shall be made.

"The Institute shall report annually to the President, the Congress, the State planning agencies, and, upon request, to units of general local government, on the research and development activities undertaken pursuant to paragraphs (1), (2), and (3) of subsection (b), and shall describe in such report the potential benefits of such activities of law enforcement and criminal justice and the results of the evaluations made pursuant to the second paragraph of this subsection. Such report shall also describe the programs of instructional assistance, the special work-



shops, and the training programs undertaken pursuant to paragraphs (5) and (6) of subsection (b).

"Sec. 403. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Administration or the Institute shall require, whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"Sec. 404. (a) The Director of the Federal Bureau of Investigation is authorized to—

"(1) establish and conduct training programs at the Federal Bureau of Investigation National Academy at Quantico, Virginia, to provide at the request of a State or unit of local government, training for State and local law enforcement and criminal justice personnel;

"(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and criminal justice.

"(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local law enforcement and criminal justice personnel engaged in the investigation of crime and the apprehension of criminals. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs and their deputies, and other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit; and

"(4) cooperate with the Institute in the exercise of its responsibilities under section 402(b) (6) of this title.

"(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

"Sec. 405. (a) Subject to the provisions of this section, the Law Enforcement Assistance Act of 1965 (79 Stat. 828) is repealed: *Provided, That*—

"(1) The Administration, or the Attorney General until such time as the members of the Administration are appointed, is authorized to obligate funds for the continuation of projects approved under the Law Enforcement Assistance Act of 1965 prior to the date of enactment of this Act to the extent that such approval provided for continuation.

"(2) Any funds obligated under subsection (1) of this section and all activities necessary or appropriate for the review under subsection (3) of this section may be carried out with funds previously appropriated and funds appropriated pursuant to this title.

"(3) Immediately upon establishment of the Administration, it shall be its duty to study, review, and evaluate projects and programs funded under the Law Enforcement Assistance Act of 1965. Continuation of projects and programs under subsections (1) and (2) of this section shall be in the discretion of the Administration.

"Sec. 406. (a) Pursuant to the provisions of subsections (b) and (c) of this section, the Administration is authorized, after appropriate consultation with the Commissioner of Education, to carry out programs of academic educational assistance to improve and strengthen law enforcement and criminal justice.

"(b) The Administration is authorized to enter into contracts to make, and make payments to institutions of higher education for loans, not exceeding \$2,200 per academic year to any person, to persons enrolled on a full-time basis in undergraduate or graduate programs approved by the Administration and leading to degrees or certificates in areas directly related to law enforcement and criminal justice or suitable for persons employed

in law enforcement and criminal justice, with special consideration to police or correctional personnel of States or units of general local government on academic leave to earn such degrees or certificates. Loans to persons assisted under this subsection shall be made on such terms and conditions as the Administration and the institution offering such programs may determine, except that the total amount of any such loan, plus interest, shall be canceled for service as a full-time officer or employee of a law enforcement and criminal justice agency at the rate of 25 per centum of the total amount of such loans plus interest for each complete year of such service or its equivalent of such service, as determined under regulations of the Administration.

"(c) The Administration is authorized to enter into contracts to make, and make payments to institutions of higher education for tuition, books and fees, not exceeding \$250 per academic quarter or \$400 per semester for any person, for officers of any publicly funded law enforcement agency enrolled on a full-time or part-time basis in courses included in an undergraduate or graduate program which is approved by the Administration and which leads to a degree or certificate in an area related to law enforcement and criminal justice or an area suitable for persons employed in law enforcement and criminal justice. Assistance under this subsection may be granted only on behalf of an applicant who enters into an agreement to remain in the service of a law enforcement and criminal justice agency employing such applicant for a period of two years following completion of any course for which payments are provided under this subsection, and in the event such service is not completed, to repay the full amount of such payments on such terms and in such manner as the Administration may prescribe.

"(d) Full-time teachers or persons preparing for careers as full-time teachers of courses related to law enforcement and criminal justice or suitable for persons employed in law enforcement, in institutions of higher education which are eligible to receive funds under this section, shall be eligible to receive assistance under subsections (b) and (c) of this section as determined under regulations of the Administration.

"(e) The Administration is authorized to make grants to or enter into contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects for the development or demonstration of improved methods of law enforcement and criminal justice education, including—

"(1) planning for the development or expansion of undergraduate or graduate programs in law enforcement and criminal justice;

"(2) education and training of faculty members;

"(3) strengthening the law enforcement and criminal justice aspects of courses leading to an undergraduate, graduate, or professional degree; and

"(4) research into, and development of, methods of educating students or faculty, including the preparation of teaching materials and the planning of curriculums. The amount of a grant or contract may be up to 75 per centum of the total cost of programs and projects for which a grant or contract is made.

"(f) The Administration is authorized to enter into contracts to make, and make payments to institutions of higher education for grants not exceeding \$65 per week to persons enrolled on a full-time basis in undergraduate or graduate degree programs who are accepted for and serve in full-time internships in law enforcement and criminal justice agencies for not less than eight weeks during

any summer recess or for any entire quarter or semester on leave from the degree program.

"Sec. 407. (a) The Administration is authorized to establish and support a training program for prosecuting attorneys from State and local offices engaged in the prosecution of organized crime. The program shall be designed to develop new or improved approaches, techniques, systems, manuals, and devices to strengthen prosecutive capabilities against organized crime.

"(b) While participating in the training program or traveling in connection with participation in the training program, State and local personnel shall be allowed travel expenses and a per diem allowance in the same manner as prescribed under section 5703(b) of title 5, United States Code, for persons employed intermittently in the Government service.

"(c) The cost of training State and local personnel under this section shall be provided out of funds appropriated to the Administration for the purpose of such training.

#### "PART E—GRANTS FOR CORRECTIONAL INSTITUTIONS AND FACILITIES

"Sec. 451. It is the purpose of this part to encourage States and units of general local government to develop and implement programs and projects for the construction, acquisition, and renovation of correctional institutions and facilities, and for the improvement of correctional programs and practices.

"Sec. 452. A State desiring to receive a grant under this part for any fiscal year shall, consistent with the basic criteria which the Administration establishes under section 454 of this title, incorporate its application for such grant in the comprehensive State plan submitted to the Administration for that fiscal year in accordance with section 302 of this title.

"Sec. 453. The Administration is authorized to make a grant under this part to a State planning agency if the application incorporated in the comprehensive State plan—

"(1) sets forth a comprehensive statewide program for the construction, acquisition, or renovation of correctional institutions and facilities in the State and the improvement of correctional programs and practices throughout the State;

"(2) provides satisfactory assurances that the control of the funds and title to property derived therefrom shall be in a public agency for the uses and purposes provided in this part and that a public agency will administer those funds and that property;

"(3) provides satisfactory assurances that the availability of funds under this part shall not reduce the amount of funds under part C of this title which a State would, in the absence of funds under this part, allocate for purposes of this part;

"(4) provides satisfactory emphasis on the development and operation of community-based correctional facilities and programs, including diagnostic services, halfway houses, probation, and other supervisory release programs for preadjudication and postadjudication referral of delinquents, youthful offenders, and first offenders, and community-oriented programs for the supervision of parolees;

"(5) provides for advanced techniques in the design of institutions and facilities;

"(6) provides, where feasible and desirable, for the sharing of correctional institutions and facilities on a regional basis;

"(7) provides satisfactory assurances that the personnel standards and programs of the institutions and facilities will reflect advanced practices;

"(8) provides satisfactory assurances that the State is engaging in projects and programs to improve the recruiting, organization, training, and education of personnel employed in correctional activities, including

those of probation, parole, and rehabilitation;

"(9) provides necessary arrangements for the development and operation of narcotic and alcoholism treatment programs in correctional institutions and facilities and in connection with probation or other supervisory, release programs for all persons, incarcerated or on parole, who are drug addicts, drug abusers, alcoholics or alcohol abusers;

"(10) complies with the same requirements established for comprehensive State plans under paragraphs (1), (3), (5), (6), (8) (9), (10), (11), (12), (13), (14), and (15) of section 303(a) of this title;

"(11) provides for accurate and complete monitoring of the progress and improvement of the correctional system. Such monitoring shall include rate of prisoner rehabilitation and rates of recidivism in comparison with previous performance of the State or local correctional systems and current performance of other State and local prison systems not included in this program; and

"(12) provides that State and local governments shall submit such annual reports as the Administrator may require.

"Sec. 454. The Administration shall after consultation with the Federal Bureau of Prisons, by regulation prescribe basic criteria for applicants and grantees under this part.

"In addition, the Administration shall issue guidelines for drug treatment programs in State and local prisons and for those to which persons on parole are assigned. The Administrator shall coordinate or assure coordination of the development of such guidelines with the Special Action Office for Drug Abuse Prevention.

"Sec. 455. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

"(1) Fifty per centum of the funds shall be available for grants to State planning agencies.

"(2) The remaining 50 per centum of the funds may be made available, as the Administration may determine, to State planning agencies, units of general local government, or combinations of such units, according to the criteria and on the terms and conditions the Administration determines consistent with this part.

Any grant made from funds available under this part may be up to 90 per centum of the cost of the program or project for which such grant is made. The non-Federal funding of the cost of any program or project to be funded by a grant under this section shall be of money appropriated in the aggregate by the State or units of general local government. No funds awarded under this part may be used for land acquisition.

"(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds granted to an applicant for that fiscal year will not be required by the applicant or will become available by virtue of the application of the provisions of section 509 of this title, that portion shall be available for reallocation under paragraph (2) of subsection (a) of this section.

#### "PART F—ADMINISTRATIVE PROVISIONS

"Sec. 501. The Administration is authorized, after appropriate consultation with representatives of States and units of general local government, to establish such rules, regulations, and procedures as are necessary to the exercise of its functions, and are consistent with the stated purpose of this title.

"Sec. 502. The Administration may delegate to any officer or official of the Administration, or, with the approval of the Attorney General, to any officer of the Department of Justice such functions as it deems appropriate.

"Sec. 503. The functions, powers, and duties specified in this title to be carried out by the Administration shall not be transferred elsewhere in the Department of Justice unless specifically hereafter authorized by the Congress.

"Sec. 504. In carrying out its functions, the Administration, or upon authorization of the Administration, any member thereof or any hearing examiner assigned to or employed by the Administration, shall have the power to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence, at any place in the United States it may designate.

"Sec. 505. Section 5314 of title 5, United States Code, is amended by adding at the end thereof—

"(55) Administrator of Law Enforcement Assistance."

"Sec. 506. Title 5, United States Code, is amended as follows:

"(a) Section 5315(90) is amended by deleting 'Associate Administrator of Law Enforcement Assistance (2)' and inserting in lieu thereof 'Deputy Administrator for Policy Development of the Law Enforcement Assistance Administration'.

"(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"(133) Deputy Administrator for Administration of the Law Enforcement Assistance Administration."

"(c) Section 5108(c)(10) is amended by deleting the word 'twenty' and inserting in lieu thereof the word 'twenty-two'.

"Sec. 507. Subject to the civil service and classification laws, the Administration is authorized to select, appoint, employ, and fix compensation of such officers and employees, including hearing examiners, as shall be necessary to carry out its powers and duties under this title.

"Sec. 508. The Administration is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department of Justice and of other civilian or military agencies and instrumentalities of the Federal Government (not including the Central Intelligence Agency), and to cooperate with the Department of Justice and such other agencies and instrumentalities in the establishment and use of services, equipment, personnel, and facilities of the Administration. The Administration is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other local agencies, and to receive and utilize, for the purposes of this title, property donated or transferred for the purposes of testing by any other Federal agencies, States, units of general local government, public or private agencies or organizations, institutions of higher education, or individuals.

"Sec. 509. Whenever the Administration, after reasonable notice and opportunity for hearing to an applicant or a grantee under this title, finds that, with respect to any payments made or to be made under this title, there is a substantial failure to comply with—

"(a) the provisions of this title;

"(b) regulations promulgated by the Administration under this title; or

"(c) a plan or application submitted in accordance with the provisions of this title; the Administration shall notify such applicant or grantee that further payments shall not be made (or in its discretion that further payments shall not be made for activities in which there is such failure), until there is no longer such failure.

"Sec. 510. (a) In carrying out the functions vested by this title in the Administration, the determinations, findings, and conclusions of the Administration shall be final and conclusive upon all applicants, except as hereafter provided.

"(b) If the application has been rejected or an applicant has been denied a grant or has had a grant, or any portion of a grant, discontinued, or has been given a grant in a lesser amount than such applicant believes appropriate under the provisions of this title, the Administration shall notify the applicant or grantee of its action and set forth the reason for the action taken. Whenever an applicant or grantee requests a hearing on action taken by the Administration on an application or a grant, the Administration, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations at such times and places as the Administration deems necessary, following appropriate and adequate notice to such applicant; and the findings of fact and determinations made by the Administration with respect thereto shall be final and conclusive, except as otherwise provided herein.

"(c) If such applicant is still dissatisfied with the findings and determinations of the Administration, following the notice and hearing provided for in subsection (b) of this section, a request may be made for rehearing, under such regulations and procedures as the Administration may establish, and such applicant shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved. The findings and determinations of the Administration, following such rehearing, shall be final and conclusive upon all parties concerned, except as hereafter provided.

"Sec. 511 (a) If any applicant or grantee is dissatisfied with the Administration's final action with respect to the approval of its application or plan submitted under this title, or any applicant or grantee is dissatisfied with the Administration's final action under section 509 or section 510, such applicant or grantee may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such applicant or grantee is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administration. The Administration shall thereupon file in the court the record of the proceedings on which the action of the Administration was based, as provided in section 2112 of title 28, United States Code.

"(b) The determination and the findings of fact by the Administration, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Administration to take further evidence. The Administration may thereupon make new or modified findings of fact and may modify its previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact or determinations shall likewise be conclusive if supported by substantial evidence.

"(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Administration or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"Sec. 512. Unless otherwise specified in this title, the Administration shall carry out the programs provided for in this title during the fiscal year ending June 30, 1974, and the two succeeding fiscal years.

"Sec. 513. To insure that all Federal assistance to State and local programs under this title is carried out in a coordinated manner, the Administration is authorized to request any Federal department or agency to supply such statistics, data, program reports, and other material as the Administration deems necessary to carry out its functions under this title. Each such department or



agency is authorized to cooperate with the Administration and, to the extent permitted by law, to furnish such materials to the Administration. Any Federal department or agency engaged in administering programs related to this title shall, to the maximum extent practicable consult with and seek advice from the Administration to insure fully coordinated efforts, and the Administration shall undertake to coordinate such efforts.

"Sec. 514. The Administration may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of its functions under this title.

"Sec. 515. The Administration is authorized—

"(a) to conduct evaluation studies of the programs and activities assisted under this title;

"(b) to collect, evaluate, publish, and disseminate statistics and other information on the condition and progress of law enforcement within and without the United States; and

"(c) to cooperate with and render technical assistance to States, units of general local government, combinations of such States or units, or other public or private agencies, organizations, institutions, or international agencies in matters relating to law enforcement and criminal justice.

Funds appropriated for the purposes of this section may be expended by grant or contract, as the Administration may determine to be appropriate.

"Sec. 516. (a) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administration, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the joint resolution entitled 'Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. sec. 551).

"(b) Not more than 12 per centum of the sums appropriated for any fiscal year to carry out the provisions of this title may be used within any one State except that this limitation shall not apply to grants made pursuant to part D.

"Sec. 517. (a) The Administration may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code.

"(b) The Administration is authorized to appoint, without regard to the civil service laws, technical or other advisory committees to advise the Administration with respect to the administration of this title as it deems necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising the Administration or attending meetings of the committees, shall be compensated at rates to be fixed by the Administration but not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

"Sec. 518. (a) Nothing contained in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other law enforcement and criminal justice agency of any State or any political subdivision thereof.

"(b) Notwithstanding any other provision of law nothing contained in this title shall be construed to authorize the Administration (1) to require, or condition the availability or amount of a grant upon, the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance or to eliminate racial imbalance in any law enforcement agency, or (2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system, or other program.

"(c) (1) No person in any State shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

"(2) Whenever the Administration determines that a State government or any unit of general local government has failed to comply with subsection (c) (1) or an applicable regulation, it shall notify the chief executive of the State of the noncompliance and shall request the chief executive to secure compliance. If within a reasonable time after such notification the chief executive fails or refuses to secure compliance, the Administration shall exercise the powers and functions provided in section 509 of this title, and is authorized concurrently with such exercise—

"(A) to institute an appropriate civil action;

"(B) to exercise the powers and functions pursuant to title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); or

"(C) to take such other action as may be provided by law.

"(3) Whenever the Attorney General has reason to believe that a State government or unit of local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

"Sec. 519. On or before December 31 of each year, the Administration shall report to the President and to the Congress on activities pursuant to the provisions of this title during the preceding fiscal year.

"Sec. 520. There are authorized to be appropriated such sums as are necessary for the purposes of each part of this title, but such sums in the aggregate shall not exceed, \$1,000,000,000 for the fiscal year ending June 30, 1974, \$1,000,000,000 for the fiscal year ending June 30, 1975, and \$1,250,000,000 for the fiscal year ending June 30, 1976. Funds appropriated for any fiscal year may remain available for obligation until expended. Beginning in the fiscal year ending June 30, 1972, and in each fiscal year thereafter there shall be allocated for the purposes of part E an amount equal to not less than 20 per centum of the amount allocated for the purposes of part C.

"Sec. 521. (a) Each recipient of assistance under this Act shall keep such records as the Administration shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Administration or any of its duly authorized representatives, shall have access for purpose of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this title.

"(c) The Comptroller General of the United States, or any of his duly authorized

representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for the purpose of audit and examination to any books, documents, papers and records of recipients of Federal assistance under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(d) The provisions of this section shall apply to all recipients of assistance under this Act, whether by direct grant or contract from the Administration or by subgrant or subcontract from primary grantees or contractors of the Administration.

"Sec. 522. Section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting 'law enforcement facilities,' immediately after 'transportation facilities.'

"Sec. 523. Any funds made available under parts B, C, and E prior to July 1, 1973, which are not obligated by a State or unit of general local government may be used to provide up to 90 per cent of the cost of any program or project. The non-Federal share of the cost of any such program or project shall be of money appropriated in the aggregate by the State or units of general local government.

"Sec. 524. (a) Except as provided by Federal law other than this title, no officer or employee of the Federal Government, nor any recipient of assistance under the provisions of this title shall use or reveal any research or statistical information furnished under this title by any person and identifiable to any specific private person for any purpose other than the purpose for which it was obtained in accordance with this title. Copies of such information shall be immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceedings.

"(b) All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein. The collection, storage, and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein; the Administration shall assure that the security and privacy of all information is adequately provided for and that information shall only be used for law enforcement and criminal justice and other lawful purposes. In addition, an individual who believes that criminal history information concerning him contained in an automated system is inaccurate, incomplete, or maintained in violation of this title, shall, upon satisfactory verification of his identity, be entitled to review such information and to obtain a copy of it for the purpose of challenge or correction.

"(c) Any person violating the provisions of this section, or of any rule, regulation, or order issued thereunder, shall be fined not to exceed \$10,000, in addition to any other penalty imposed by law.

"Sec. 525. The last two sentences of section 203(n) of the Federal Property and Administrative Services Act of 1949 are amended to read as follows: 'In addition, under such cooperative agreements, and subject to such other conditions as may be imposed by the Secretary of Health, Education, and Welfare, or the Director, Office of Civil and Defense Mobilization, or the Administrator, Law Enforcement Assistance Administration, surplus property which the Administrator may approve for donation for use in any State for purposes of law enforcement programs, education, public health, or civil defense, or for research for any such purposes, pursuant to subsection (j) (3) or (j) (4), may with the

approval of the Administrator be made available to the State agency after a determination by the Secretary or the Director or the Administrator, Law Enforcement Assistance Administration that such property is necessary to, or would facilitate, the effective operation of the State agency in performing its functions in connection with such program. Upon a determination by the Secretary or the Director or Administrator, Law Enforcement Assistance Administration, that such action is necessary to, or would facilitate, the effective use of such surplus property made available under the terms of a cooperative agreement, title thereto may with the approval of the Administrator be vested in the State agency.

#### "PART G—DEFINITIONS

"Sec. 601. As used in this title—

"(a) 'Law enforcement and criminal justice' means any activity pertaining to crime prevention, control or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals, activities of courts having criminal jurisdiction and related agencies (including prosecutorial and defender services), activities of corrections, probation, or parole authorities, and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction.

"(b) 'Organized crime' means the unlawful activities of the members of a highly organized, disciplined association engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loan sharking, narcotics, labor racketeering, and other unlawful activities of members of such organizations.

"(c) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"(d) 'Unit of general local government' means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior, or, for the purpose of assistance eligibility, any agency of the District of Columbia government or the United States Government performing law enforcement functions in and for the District of Columbia and funds appropriated by the Congress for the activities of such agencies may be used to provide the non-Federal share of the cost of programs or projects funded under this title; provided, however, that such assistance eligibility of any agency of the United States Government shall be for the sole purpose of facilitating the transfer of criminal jurisdiction from the United States District Court for the District of Columbia to the Superior Court of the District of Columbia pursuant to the District of Columbia Court Reform and Criminal Procedure Act of 1970.

"(e) 'Combination' as applied to States or units of general local government means any grouping or joining together of such States or units for the purpose of preparing, developing, or implementing a law enforcement plan.

"(f) 'Construction' means the erection, acquisition, expansion, or repair (but not including minor remodeling or minor repairs) of new or existing buildings or other physical facilities, and the acquisition or installation of initial equipment therefor.

"(g) 'State organized crime prevention council' means a council composed of not more than seven persons established pursuant to State law or established by the chief executive of the State for the purpose of this title, or an existing agency so designated, which council shall be broadly representative of law enforcement officials within such State and whose members by virtue of their training or experience shall be knowledgeable

in the prevention and control of organized crime.

"(h) 'Metropolitan area' means a standard metropolitan statistical area as established by the Bureau of the Budget, subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

"(i) 'Public agency' means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing.

"(j) 'Institution of higher education' means any such institution as defined by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)) subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

"(k) 'Community service officer' means any citizen with the capacity, motivation, integrity, and stability to assist in or perform police work but who may not meet ordinary standards for employment as a regular police officer selected from the immediate locality of the police department of which he is to be a part and meeting such other qualifications promulgated in regulations pursuant to section 501 as the Administration may determine to be appropriate to further the purposes of section 301(b) (7) and this Act.

"(l) The term 'correctional institution or facility' means any place for the confinement or rehabilitation of juvenile offenders or individuals charged with or convicted of criminal offenses.

"(m) The term 'comprehensive' means that the plan must be a total and integrated analysis of the problems regarding the law enforcement and criminal justice system within the State; goals, priorities, and standards must be established in the plan and the plan must address methods, organization, and operation performance, physical and human resources necessary to accomplish crime prevention, identification, detection, and apprehension of suspects; adjudication; custodial treatment of suspects and offenders, and institutional and noninstitutional rehabilitative measures.

"(n) The term 'treatment' includes but is not limited to, medical, educational, social, psychological and vocational services, corrective and preventive guidance and training, and other rehabilitative services designed to protect the public and benefit the addict or other user by eliminating his dependence on addicting or other drugs or by controlling his dependence, and his susceptibility to addiction or use.

"(o) 'Criminal history information' includes records and related data, contained in an automated criminal justice informational system, compiled by law enforcement agencies for purposes of identifying criminal offenders and alleged offenders and maintaining as to such persons summaries of arrests, the nature and disposition of criminal charges, sentencing, confinement, rehabilitation and release.

#### "PART H—CRIMINAL PENALTIES

"Sec. 651. Whoever embezzles, willfully misapplies, steals, or obtains by fraud or endeavors to embezzle, willfully misapply, steal or obtain by fraud any funds, assets, or property which are the subject of a grant or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Administration, or whoever receives, conceals, or retains such funds, assets, or property with intent to convert such funds, assets, or property to his use or gain, knowing such funds, assets, or property have been embezzled, willfully misapplied, stolen, or obtained by fraud, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

"Sec. 652. Whoever knowingly and willfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in any application for assistance submitted pursuant to this title or in any records required to

be maintained pursuant to this title shall be subject to prosecution under the provisions of section 1001 of title 18, United States Code.

"Sec. 653. Any law enforcement and criminal justice program or project underwritten, in whole or in part, by any grant, or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Administration, shall be subject to the provisions of section 371 of title 18, United States Code.

#### "PART I—ATTORNEY GENERAL'S BIENNIAL REPORT OF FEDERAL LAW ENFORCEMENT AND CRIMINAL JUSTICE ACTIVITIES

"Sec. 670. The Attorney General, in consultation with the appropriate officials in the agencies involved, within 90 days of the end of each second fiscal year shall submit to the President and to the Congress a Report of Federal Law Enforcement and Criminal Justice Assistance Activities setting forth the programs conducted, expenditures made, results achieved, plans developed, and problems discovered in the operations and coordination of the various Federal assistance programs relating to crime prevention and control, including, but not limited to, the Juvenile Delinquency Prevention and Control Act of 1968, the Narcotics Addict Rehabilitation Act of 1973, the Gun Control Act of 1968, the Criminal Justice Act of 1964, title XI of the Organized Crime Control Act of 1970 (relating to the regulation of explosives), and title III of the Omnibus Crime Control and Safe Streets Act of 1968 (relating to wiretapping and electronic surveillance).

Sec. 3. The amendments made by this Act shall take effect on and after July 1, 1973, except that the offices and salaries modified under sections 101, 505, and 506 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 as amended by this Act shall be modified prospectively only, effective on and after the date of the enactment of this Act.

And the Senate agree to the same.

PETER RODINO,  
JOHN CONYERS,  
WALTER FLOWERS,  
JOHN F. SEIBERLING,  
BARBARA JORDAN,  
EDWARD MEZVINSKY,  
EDWARD HUTCHINSON,  
ROBERT MCCLORY,  
CHARLES W. SANDMAN, Jr.,  
DAVID W. DENNIS,  
HAMILTON FISH, Jr.,

Managers on the Part of the House.

JOHN L. MCCLELLAN,  
ROMAN HRUSKA,  
P. A. HART,  
HUGH SCOTT,  
SAM J. ERVIN, Jr.,

Managers on the Part of the Senate.

#### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

#### SHORT TITLE

The House bill provided no short title. The Senate amendment proposed the short title "Crime Control Act of 1973." The conference substitute adopts the Senate amendment.

#### LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

The House bill provided for the abolition of the two positions of Associate Administrator and vested all administrative and policy authority in the Administrator of LEAA. The



bill created a position of Deputy Administrator to assist the Administrator by delegation and to serve as Administrator in the absence or incapacity of the Administrator. The Senate amendment also provided for all authority to be vested in the Administrator, but provided for two Deputy Administrators to be appointed by the President by and with the advice and consent of the Senate. One deputy would assist the Administrator in the areas of policy and operations and would act for him in his absence or incapacity, and the second deputy would be responsible for administrative management functions.<sup>1</sup> The conference substitute adopts the Senate amendment.

#### STATE PLANNING AGENCIES AND REGIONAL PLANNING UNITS

The House bill provided that State planning agencies and regional planning units may include citizen, community, and professional organization representatives. The Senate amendment did not so provide, but provided that the majority of the members of any regional planning unit must be elected executive and legislative officials. The conference substitute adopts both the House and Senate approaches and provides permission for representation of citizen, community and professional organizations, and provides that the majority of the members of any regional planning unit must be elected officials.

#### VICTIMS OF VIOLENT CRIME

The Senate amendment contained provisions not in the House bill authorizing LEAA funds to be used for State programs to compensate victims of violent crimes. The conference substitute does not include these provisions. The conferees took this action because of the parallel processing of legislation introduced by three distinguished Senators, Mr. McClellan, Mr. Mansfield and Mr. Mondale, that would provide a comprehensive program at the Federal level to compensate innocent victims of violent crime and authorize a similar use of LEAA funds. The bill, S. 300, has already passed the Senate and is now pending before the House Committee on the Judiciary. Congressman Rodino, Chairman of the House Committee on the Judiciary, has also introduced a similar proposal, and as a member of the conference has indicated strong interest in this proposed program as a separate bill. Concern was also expressed that the District of Columbia was not included in the program as proposed in the Senate amendment. However, some members of the conference indicated less than whole hearted support of the program and some voiced firm opposition.

#### INTERSTATE METROPOLITAN REGIONAL PLANNING UNITS

The Senate amendment contained a provision not in the House bill expressly authorizing the use of both Part C discretionary funds and Part C block grant funds for planning grants to interstate metropolitan regional planning units. The conference substitute adopts this provision.

<sup>1</sup> It is important to note that the substitute bill does not create a new position of Administrator of LEAA, and it is contemplated that the present Administrator of LEAA is authorized to continue to serve without the necessity for reconfirmation by the Senate. Similarly, the committee of conference contemplates that incumbent Associate Administrators of LEAA are authorized to fill the positions of Deputy Administrator without the necessity for reconfirmation by the Senate of either of those officials. Congress may devolve upon one already in office different duties which are germane to his office without thereby rendering it necessary that the incumbent should again be nominated, appointed, or confirmed. Cf. *Shoemaker v. United States*, 147 U.S. 282, 301 (1893).

#### JUVENILE JUSTICE

The Senate amendment contained provisions not in the House bill which would have required each State to develop, as a part of its overall criminal justice State plan, a comprehensive plan for the improvement of juvenile justice and to allocate for juvenile delinquency prevention and control at least 20 percent of his Part C and Part E funds in fiscal year 1974 and 30 percent in fiscal year 1975 and each succeeding fiscal year.

The conference substitute retains the requirement that each State plan must include a program for the improvement of juvenile justice, funded under title I of this Act or other Federal, State, or local programs, but does not include the rest of the Senate amendment. The conferees recognized the pressing need for additional funding in the area of juvenile delinquency prevention and control, but noted that some authority for additional funding does exist in other programs, that separate bills on these matters are currently pending in both Houses and that these bills should be given priority in the near future. Moreover, since no plan may be approved unless it is comprehensive and since no plan is comprehensive unless it takes into account a juvenile justice program and since the bill otherwise requires that LEAA give greater scrutiny to State plans to ascertain whether they reflect a determined effort to improve the quality of law enforcement and criminal justice, it is expected that greater emphasis will be given to the problems of juvenile justice in the future. The failure to require specified minimums reflects more a general concern for the continued flexibility of the State and local planning process than any policy that juvenile delinquency should not be a primary concern in the fight to control crime. The fact that the Federal Government currently expends substantial funds and energies on programs relating to juvenile delinquency did not go unnoticed by the conferees.

#### ASSUMPTION OF COSTS

The House bill deleted the provision which requires the States to show a willingness to take over the funding of programs and projects under this title. The Senate amendment retained the provision, as does the conference substitute.

#### INFORMATION AND DATA REQUIREMENTS IN STATE PLANS

The House bill required that State plans provide for the submission of data and information as the National Institute might require for its evaluation function and as LEAA might require to carry out its functions. The Senate amendment tracked this requirement but made no reference to the National Institute and its evaluation function. The conference substitute adopts the language of the House bill.

#### APPLICATION APPROVAL

The House bill provided that the States must approve or disapprove, in whole or in part, applications for assistance by units of general local government within 60 days after their submission. The Senate amendment was identical in this respect except that it allowed 90 days. The conference substitute adopts the Senate language.

#### TEMPORARY BUY-IN WAIVER

The House bill provided for no waiver of the increased State "buy-in" requirement, but the Senate amendment allowed such a waiver until a date certain or the next session of the State legislature, whichever occurred first. The conference substitute contains no provision for such a waiver.

#### GRANTS FOR LOCAL PLANS

The Senate amendment contained a provision not in the House bill requiring State plans to include procedures which make units of local government, or combinations thereof, with populations of 100,000 or more eligible to apply for grants from the

State on the basis of a local comprehensive plan consistent with the State comprehensive plan. The conference substitute adopts this provision, but increases the minimum population requirement to 250,000 and provides that the State may approve, in whole or in part, grant applications from such units which qualify. The intent of the conferees is that the key planning decisions as between the States and units of general local government remain with the State planning agencies.

#### LEAP SURVEY

The Senate amendment added a provision that a survey of the needs of law enforcement and criminal justice personnel be made within three years by the National Institute. The House bill contained no such provision. The conference substitute adopts the Senate provision.

#### TRAINING

Present law authorizes the Federal Bureau of Investigation to assist in conducting regional and local training programs for police. The House bill authorized the National Institute to assist in conducting regional and local training programs for all law enforcement and criminal justice personnel, not only for police, and eliminated the FBI training program for police as duplicative. The Senate amendment deleted the National Institute's training role and restated present law with regard to the FBI training role. In order to retain the FBI program of long experience yet provide training for all law enforcement and criminal justice personnel, the conference substitute retains the FBI training program for police and provides that the National Institute may assist State and local governments in developing and conducting regional and local training programs for all law enforcement and criminal justice personnel but may not duplicate the activities of the FBI in its police training role. It is intended that the training functions of these two agencies complement rather than duplicate each other.

Thus, the retention of authority in the FBI to continue its local and State training programs is not intended to deprive the National Institute of assisting in the development and conduct of any of its training functions. Furthermore, it is intended that the FBI will co-operate with the National Institute in the regional training programs which the Institute may develop—particularly with respect to the investigation of crime and the apprehension of criminals and other anti-crime activities in which the FBI has special expertise.

#### NATIONAL AND INTERNATIONAL CLEARINGHOUSE INFORMATION EXCHANGE

The Senate amendment authorized the Institute to serve as an international clearinghouse for the expansion of law enforcement and criminal justice information. The House bill continued LEAA's current authority to act only within the confines of the U.S. The conferees agreed to the Senate provision.

This agreement expands the scope of the Institute's authority to disseminate information related to international law enforcement problems.

#### IN-SERVICE LEAP GRANTS

The Senate amendment would remove the requirement that a LEAP recipient remain with the law enforcement agency where he was employed during his LEAP studies in order to be eligible for cancellation of certain LEAP obligations. The House bill continued the current requirement that a LEAP recipient must remain with his employing law enforcement agency only. The conference substitute adopted the Senate provision which will permit a recipient to earn cancellation so long as he remains in a law enforcement agency.

#### DRUG AND ALCOHOLISM TREATMENT AMENDMENTS

The Senate amendment included a requirement that one of the criteria for the receipt

of Part E funds would be the development of narcotic and alcoholism treatment and control programs. The House bill did not include alcoholism treatment programs.

The conferees agreed to accept the language of the Senate amendment. This amendment provides for the development of narcotic and alcoholism treatment programs under Part E correction funds. However, the conferees also agreed that although alcoholism programs may be funded, such funding should not be to the extent that it would interfere with or reduce the funds to be used for drug treatment programs. The conference substitute expands the definition of treatment to include non-addictive drug problems and, by inference, alcoholism. Additionally, the definition of treatment is expanded to authorize measures intended to control as well as eliminate drug dependency. The conference substitute also adopts Senate language requiring the coordination of drug treatment program guidelines with the Special Action Office for Drug Abuse Prevention.

#### RECIDIVISM RATES

The Senate amendment added a requirement which provided for the monitoring of recidivism rates and progress of prisoner rehabilitation. The House bill contained no comparable provision.

The conference substitute adopted the Senate version. The adoption of this language is consistent with the previously expressed interest of the Congress in upgrading and improving the Nation's correctional systems through Part E corrections funds awarded by LEAA.

#### HARD MATCH

The Senate amendment provides express authority, which the House bill did not, for non-profit organizations to provide funds to be used as hard match by States and local units of government. The omission of this language in the conference substitute carries with it no negative or positive inference and is not intended to prevent any current practices of LEAA to the extent that such practices may be within the ambit of the purposes and provisions of the law.

#### RETROACTIVE SOFT MATCH ELIMINATIONS

The House bill provided for the retroactive elimination of soft match requirements with respect to both States and units of local government. The Senate amendment provides this elimination with respect to States alone. The conference substitute adopts the House provision.<sup>2</sup>

<sup>2</sup> An explanation of the House provision was given by Mr. Hutchinson in floor debate (Congressional Record; June 14, 1973; 19703-19704) as follows:

"So desirable did it seem to eliminate soft match and transfer to a hard match requirement that H.R. 8152 would make this change with regard to unobligated funds made available prior to July 1, 1973. It should be made clear that funds 'not obligated' are those not awarded or committed by the State or local governments. If the State or local government has contracted for a project or has effectively awarded the funds to one of its agencies, the funds are, for purposes of section 523, considered as 'obligated'."

"If a program or project is in operation but not completed, it is not intended that the new matching requirements be applied to the remainder, even though under accounting practices the governmental unit may not be as yet obligated to pay. Likewise, it should be clear that if a State has awarded funds to a unit of local government and the unit has not, in turn, further obligated the funds by award or contract, the funds are not obligated and the new matching requirements would apply. In other words, the fact that the funds in the hands of a unit of local government came through the State does not of itself change the result that would otherwise obtain."

#### SUPERGRADES

The House bill provided for no additional supergrade positions at LEAA. The Senate amendment provided for four additional supergrade positions. The conference substitute provides for two.

#### BICENTENNIAL AUTHORITY

The Senate amendment provided authority to LEAA to assist law enforcement activities connected with the American Revolution Bicentennial Commission by transferring funds to federal agencies dealing with the activities of the Bicentennial. The House bill contained no such provision. The conference substitute does not provide such authority. But this omission is not intended to restrict any authority LEAA might have to support otherwise fundable law enforcement projects arising out of activities related to the Bicentennial.

#### INFORMATION DISSEMINATION AND TECHNICAL ASSISTANCE

The Senate amendment granted authority to LEAA for the collection and dissemination of information on law enforcement and criminal justice both within and outside of the United States. Other authority was also provided for the interchange of assistance with respect to international activities. The House bill contained the current LEAA authority which was limited to activities within the "several States."

The conference substitute adopts the Senate amendment which provides authority to LEAA to collect and disseminate information on law enforcement within and without the United States.

The conference substitute also accepts the Senate version which adds authority to provide technical assistance to international law enforcement agencies as well as national law enforcement agencies. In recognition of the international scope of many law enforcement and criminal justice problems the conferees agreed to give LEAA authority to provide technical assistance in such areas as narcotics interdiction, skyjacking, and terrorism. The conferees felt that LEAA's international operations should be limited to providing technical assistance in cases of this character.

#### DISCRIMINATION

The House bill provided that, upon complaint of discrimination in programs assisted under title I, the Governor has sixty days to respond, and that the LEAA must initiate proceedings to cut off funds to any recipient who continues to discriminate after that period, and may concurrently with that initiation take other actions, including instituting a law suit.

The Senate amendment permitted the Governor to act in a "reasonable time," and authorized the same remedies as did the House bill, including proceedings to cut off funds, but made none of them mandatory. The conference substitute uses the Senate's "reasonable time" standard and adopts the House bill language on remedial proceedings but makes it clear that the various proceedings may be concurrently instituted.

#### COMPTROLLER GENERAL'S ACCESS TO RECORDS

Although the House bill provided for access to records by the Comptroller General, it did not do so in language consistent with the Records Retention Act. The Senate amendment did incorporate such language. The conference substitute adopts the Senate version.

#### SECURITY AND PRIVACY PROVISIONS

The House bill provided for the security and privacy of statistical and research information. The Senate amendment added language to the House bill giving access to criminal history records information maintained by State and local governments with LEAA funds to individuals who had reason to believe that their own records were inaccurate. In addition, it required that an

individual's criminal history records include not only any arrests but, where possible, the disposition of the case subsequent to arrest and that a definition for criminal history information be added to title I.

The Senate amendment also provided that identified individuals have access to their own automated records and criminal history information, which such individuals might believe to be inaccurate or irrelevant. Dissemination of such information was permitted in limited cases and with certain safeguards.

The conferees accepted the Senate version but only as an interim measure. It should not be viewed as dispositive of the unsettled and sensitive issues of the right of privacy and other individual rights affecting the maintenance and dissemination of criminal justice information. More comprehensive legislation in the future is contemplated.

#### AUTHORIZATION—AMOUNT AND LENGTH

The House bill provided for a two year grant-making authorization and that the funds authorized for each of the two years would be \$1 billion per year. The Senate amendment provided for a five-year authorization of from \$1 billion in fiscal year 1974 to \$2 billion in fiscal year 1978.

The conference substitute agreed to a compromise of three years on the length of LEAA's grant-making authorization and to appropriation authority of \$1 billion FY 1974, \$1 billion FY 1975, and \$1.25 billion for FY 1976.

#### EXCESS OR SURPLUS PROPERTY AUTHORITY

The Senate amendment provided LEAA with authority to donate excess or surplus federal property to State agencies thereby vesting in the grantee title to such property. The House bill did not contain comparable language. The conference substitute accepted the Senate provision.

#### CRIMINAL PENALTIES

The House bill added "attempts" to current provisions relating to the criminal misuse of LEAA funds. The Senate amendment substituted the word "endeavors" for the word "attempts." The conference substitute agreed to the Senate language. This change was adopted as the word "endeavors" does not have the common law gloss as does the word "attempts." See *Osborn v. United States*, 385 U.S. 323 (1966). The conference substitute accepts the "endeavors" formulation in this context since it creates a higher standard for the use of LEAA funds and does not intend to set a precedent for a general change in the criminal law with respect to attempts.

#### ATTORNEY GENERAL'S REPORT

The Senate amendment provided for the Attorney General's report on Federal criminal justice activities to be published every four years. The House bill provided for annual publication. The conference substitute contains a compromise providing for the publication of the Attorney General's report every two years.

#### TITLE—PART C

The Senate amendment would have entitled Part C of title I "Law Enforcement Revenue Sharing." The House bill provided for a designation of "Grants for Law Enforcement Purposes." The conference substitute adopts the House bill with conforming language to read: "Grants for Law Enforcement and Criminal Justice Purposes" which is consistent with other language throughout the bill.

#### MISCELLANEOUS AND TECHNICAL ISSUES

The Senate amendment contained a severability clause not found in the House bill, and not accepted in the conference substitute. A few other technical and conforming changes have been made in the conference substitute.

#### EFFECTIVE DATE

The House bill provided that the revision of title I become effective on July 1, 1973.



The Senate amendment provided that the revision be effective on enactment. The conference substitute contains a compromise providing that the changes be effective as of July 1, 1973, the beginning of the fiscal year, except for provisions relating to the Administrator, the Deputy Administrators, and their salaries which become effective upon enactment.

P. W. ROBINO,  
JOHN CONYERS, JR.,  
WALTER FLOWERS,  
BARBARA JORDAN,  
EDWARD MEZVINSKY,  
EDWARD HUTCHINSON,  
ROBERT MCCLORY,  
CHARLES W. SANDMAN, JR.,  
DAVID W. DENNIS,  
HAMILTON FISH, JR.,

*Managers on the Part of the House.*

J. L. McCLELLAN,  
ROMAN HRUSKA,  
P. A. HART,  
HUGH SCOTT,  
SAM J. ERVIN, JR.,

*Managers on the Part of the Senate.*

#### PERMISSION TO FILE A CONFERENCE REPORT ON H.R. 7935, AMENDMENTS TO THE FAIR LABOR STANDARDS ACT, UNTIL MIDNIGHT TOMORROW

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the managers have until midnight tomorrow to file a conference report on the amendments to the Fair Labor Standards Act (H.R. 7935).

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

There was no objection.

#### MUTUAL DEVELOPMENT AND COOPERATION ACT OF 1973

Mr. MORGAN. 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. 9360) to amend the Foreign Assistance Act of 1961, and for other purposes.

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

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. 9360, 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 rule the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 1 hour, and the gentleman from California (Mr. MAILLARD) will be recognized for 1 hour.

The Chair recognizes the gentleman from Pennsylvania.

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

Mr. Chairman, H.R. 9360, the Mutual Development and Cooperation Act of 1973, is one of the most important measures to come before the House this year.

It is a measure vital to the American national interest.

It is a measure which will give the

taxpayer more for his dollar now and in the future.

It is a congressional initiative for a far-reaching overhaul of our foreign economic assistance program—the first such reform in more than a decade.

It is a bill which is supported by the administration and by a large and bipartisan majority of the Committee on Foreign Affairs.

##### PURPOSES OF BILL

Basically, H.R. 9360 does two things: First, it would provide the first fundamental revision of our bilateral economic assistance program since the present foreign aid law was enacted in 1961.

These reforms are designed to meet the realities of a changing world. They aim at making our aid to the developing countries more effective.

At the same time, they reflect America's financial difficulties at home and abroad by seeking to streamline the system and to put it on a more business-like basis.

After the reforms take effect, they are expected to reduce the need for "traditional" aid which we have known for so many years.

Second, the bill authorizes foreign security assistance for fiscal 1974 and economic assistance for fiscal 1974 and 1975.

The total authorization for appropriations for fiscal 1974 is \$2,834,000,000. This is a cut of \$103 million below the executive request. It compares with \$2,630,000,000 appropriated by Congress for these purposes last year.

Included in the fiscal 1974 total is \$632 million for Indochina postwar reconstruction. None of this is for North Vietnam. No request for aid to North Vietnam has been received from the Executive to date.

##### REASONS FOR AID

Mr. Chairman, before describing the provisions of H.R. 9360, I wish to speak briefly to the reasons why assistance to others is in our highest national interest.

I will not dwell on the humanitarian reason—why it is morally right, as the President has said, for an affluent nation to help others less fortunate.

Let me, rather, mention some very practical matters:

We have a huge stake in peace throughout the world. The gap between the rich and the poor nations, and between the rich and poor within nations, is an invitation to conflict.

Our security assistance to friends and allies abroad not only provides a critical margin for their security; it does so also for our own security—at a fraction of what it would cost us to have an effective forward defense by ourselves.

We have an increasing need for raw materials and energy from abroad. We consume 40 percent of the world's output. It is, therefore, in our self-interest to be on good terms with the developing countries, who hold 60 percent of the world's land surface and control resources to which we must have access for our own economic growth.

We also need the cooperation of the developing countries to solve problems that increasingly cross national boundaries—narcotics control, terrorism, environmental pollution, and many others.

Finally, we need the markets of the developing countries. Our exports to them last year were nearly as large as our sales to Western Europe and Japan combined. The better off the developing countries are, the more they can buy from us.

##### BALANCE OF PAYMENTS AND PIPELINE

While I am on the subject of trade, I want to dispel the notion that our foreign assistance programs are responsible for our balance-of-trade difficulties.

The great bulk of our so-called aid dollars are spent for goods and services right here in the United States. The Foreign Affairs Committee looked into this. According to the latest complete figures, as shown on page 12 of our report, the net result of economic and military assistance programs is a balance-of-payments plus to us when you include loan repayments.

In fiscal year 1972, development assistance brought us a net inflow of \$32 million, security and supporting assistance—when you count cash and credit military sales—brought a net return of \$3.2 billion.

Another argument one hears is that we do not need a new aid authorization because huge amounts from past appropriations are still unspent.

The fact is that any program using loans is bound to have a large pipeline.

It is also a fact that while the unexpended balances of U.S. Government agencies generally have climbed nearly threefold over the past decade, AID's unexpended balance has gone down by a third.

To those who oppose foreign aid, I would add this:

AID over the years has registered some failures—but also many successes. It has helped to put a war-torn Europe back on its feet. It has strengthened the West's defense against Communist expansion. It has spurred economic growth in many poor lands.

No program is perfect. But the answer is not to kill it.

The answer is to improve it.

That is what H.R. 9360 seeks to do.

In turning to the provisions of the bill, Mr. Chairman, I will group them by subject matter for orderly presentation rather than in the exact order in which they appear in the text. I will address the reform proposals last because of the great interest in them.

##### SECURITY ASSISTANCE

To start with the more "traditional" provisions of the bill, I will describe first the authorizations for security assistance to friends and allies to help meet U.S. foreign policy aims.

The first category is military grant assistance. Most of this is programed to seven countries: South Korea, Cambodia, Thailand, Indonesia, the Philippines, Jordan, and Turkey.

The proposed \$550 million authorization in the bill for fiscal 1974 represents a cut of \$102 million below the Executive request.

You will note the objection on page 101 of the report that the committee has cut too deeply; that our cut will hurt Korea's modernization program.

We would not want that to happen—and I believe that it will not happen.

The committee is of the opinion that the proposed 15 percent reduction in military aid can be sustained because \$50 million additional will be available from recoupments, reimbursements, and re-appropriations—and \$185 million in excess defense articles.

The second category is security support assistance, for which H.R. 9360 authorizes \$125 million in fiscal 1974. This is a sharp drop from the \$660 million Congress appropriated last year. However, funds for Indochina, which were formerly included in supporting assistance, are proposed separately in the new bill.

Most of this economic aid for security purposes would go to Israel and Jordan. Of the \$125 million, the committee has earmarked \$50 million for Israel.

A new section of the bill would create an international military education and training program, as requested by the Executive. This activity has been funded previously from military grant assistance.

The committee has rejected the Executive request for an open-ended authorization for this program. Instead, it has limited the authorization for fiscal 1974 to \$30 million, \$3 million below the Executive request.

A \$760 million ceiling is set on total military sales, credits, and guarantees during the year.

Of this, \$300 million is earmarked for Israel.

#### INDOCHINA POSTWAR RECONSTRUCTION

A new section in the bill contains the \$632 million authorization requested by the Executive for Indochina postwar reconstruction in 1974.

Most of these funds—\$475 million—would be for South Vietnam. Seventy-five million dollars is programmed for Cambodia and \$55 million for Laos.

As I mentioned earlier, nothing has been sought or authorized for North Vietnam.

While full peace has not yet returned to these war-ravaged countries, the committee believes that continued economic assistance is needed to help bring about a successful transition.

The committee rewrote the policy statement proposed by the Executive for this section. The new language emphasizes immediate humanitarian relief assistance and aid to the people of these countries in returning to a normal peacetime existence.

Mr. GROSS. Mr. Chairman, the gentleman is making a profound statement on how to promote inflation.

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

The CHAIRMAN. The Chair will count.

Fifty-one Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 388]

Addabbo	Blackburn	Carney, Ohio
Archer	Blatnik	Clark
Arends	Brademas	Crane
Ashley	Burke, Calif.	Dennis
Badillo	Camp	Diggs

Drinan	Horton	Peyser
Edwards, Calif.	Jarman	Regula
Evans, Colo.	Jones, Okla.	Reid
Evins, Tenn.	Landgrebe	Roe
Fisher	Lott	Rooney, N.Y.
Fuqua	Madigan	Ruth
Gettys	Millford	Steele
Gray	Mills, Ark.	Stephens
Griffiths	Mink	Thompson, N.J.
Gunter	Mitchell, Md.	Vander Jagt
Hanna	Moorhead,	Winn
Hawkins	Calif.	Young, Ga.
Hebert	Murphy, N.Y.	Zion
Hollifield	Patman	

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. 9360, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 378 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. MORGAN. Mr. Chairman, when we were interrupted on the quorum call, we were talking about other principal provisions of the bill.

Mr. Chairman, there are a number of other substantive provisions in H.R. 9360 which I will address only briefly at this point.

The bill will strengthen the drive against illegal international traffic in narcotics by authorizing \$50 million for this purpose, \$7½ million more than the Executive request.

It will repeal penalty provisions in the foreign aid law which have proved ineffective over the years, including the so-called Hickenlooper amendment and provisions against seizure of U.S. fishing boats; and

It will authorize \$30 million for famine and disaster relief for the drought-stricken Sahelian nations of Africa.

Detailed explanations of these and other provisions are available in the committee report.

#### REFORMS

I turn now to the outstanding feature of H.R. 9360—the far-reaching reforms proposed in our basic economic aid law.

Much has changed since the last major restructuring of our foreign assistance legislation 12 years ago.

While most developing countries assisted by us have scored notable economic gains, large masses of people within these countries have not shared in those gains.

In some instances, government-to-government aid has resulted in oversized bureaucracies, and discouraged local initiative.

The United States has run into severe budgetary and balance of payments difficulties.

In the meantime, other advanced, prospering nations have been capturing an increasing share of the markets of the poorer countries.

Clearly the time has come for a new approach to meet these new realities. Consequently, the committee has proposed reforms in bilateral economic as-

sistance to the developing countries which would:

First, focus our aid on solving acute problems common to most of the developing countries—problems such as food, health, population, and education—where the benefits will reach the poorest masses of people in these countries.

Second, stress the use of private rather than government channels, leaving the responsibility for development planning in the hands of the aid-receiving countries. The U.S. role would be only to support their self-help efforts.

Third, in order to fill a void in our present governmental policy process, Development Coordination Committee, H.R. 9360 would create an interagency chaired by the administrator of foreign aid, to improve coordination of all U.S. activities that bear on development aid;

Fourth, create a new Export Development Credit Fund to promote sales of U.S. goods needed by the developing countries, while reducing the need for conventional development loans; and

Finally, to emphasize and symbolize the new approach, the bill provides for two name changes: The Foreign Assistance Act of 1961 would be renamed the "Mutual Development and Cooperation Act," and the Agency for International Development would be named the "Mutual Development and Cooperation Agency."

#### EXPORT DEVELOPMENT CREDIT FUND

I would like to take a minute or two to explain the proposed Export Development Credit Fund, and how it would work.

Basically, the Fund's operation would be similar to that of the Export-Import Bank. It would extend lines of credit to the poorest developing countries to purchase American goods and services on concessional terms—terms which would be appropriate to the goods and services being sold, but which in no case could be "softer" than those which apply to development loans.

The Fund would not increase U.S. budgetary outlays. It would operate at about \$1 billion a year for 5 years through public borrowing authority.

This is precisely what the Export-Import Bank does.

The big difference between the Bank and the Fund is that the Fund—being restricted to financing development goods and services purchased by the poorest developing countries—would make its credit available on more concessional terms.

It would probably borrow funds in the private capital market at 6 to 7 percent, and relend it at 3 or more percent.

The interest differential would be covered by repayments of past foreign aid loans, as appropriated each year by the Congress.

In this way, the Fund would serve three main purposes:

It would enable the poorest countries to obtain American goods and services which they need for development on terms that they can afford;

It would, over a period of time, reduce the need for appropriations for bilateral development loans; and



Finally, it would increase markets, in the developing countries, for our exports.

Since U.S. exports financed by the Fund would be in addition to those financed by other U.S. agencies, or by commercial institutions, it is estimated that the Fund could help to create as many as 80,000 new jobs for Americans, right here in this country.

Now I have heard some complaint that the Fund would use "back door" financing. I am not sure just what "back door" means, except that it is supposed to be a naughty word.

Well, let me assure my good friends on the Appropriations Committee that they and all Members of Congress will have an annual opportunity to pass on the Fund's borrowing and on the availability of repayments of past aid loans.

Under this bill, both of these are subject to the annual appropriations process.

Since the Fund would operate like the Eximbank, it makes sense to put it on a similar footing. Those who want more use of private channels and a business-like basis for our development aid, should favor the fund.

#### CONCLUSION

In conclusion, Mr. Chairman, let me say that the Foreign Affairs Committee, in adopting these reforms, drew on a quarter century of experience starting with the Marshall plan and the Point Four Program.

We have held extensive hearings. We have received widespread favorable response to our bill from industry and labor, from the voluntary agencies and from other organizations and individuals.

We have approved H.R. 9560 by a bipartisan vote of 31 to 9.

We believe it to be in the highest national interest.

I urge its wholehearted support by the House.

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

Mr. MORGAN. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I rise to pay compliment to our able chairman, Dr. MORGAN, the chairman of the Committee on Foreign Affairs, for his very excellent leadership in the handling of this bill before our committee and also for the very fine statement he has made on the importance of the bill before us today.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New York.

Ms. ABZUG. I realize the committee has made great efforts in or effort to construct a viable foreign assistance program, a Mutual Development and Cooperation Act, and I favor many aspects of the bill. I am however, somewhat concerned, Mr. Chairman, by the fact that under the current grant military assistance program there are funds for countries which generally have not been known for their great democracy and in fact have governments which are repressive of the democratic right of their peoples.

However, what concerns me specifically is the amount of money that is provided for Cambodia in this bill. The committee when it drafted this legislation was not as aware as it could have been of the problems in Cambodia, although the House and the Senate had acted and indicated that they opposed activity in Cambodia. Certainly in the last days the revelations of our overall policy they have shown our activities to have been thoroughly illegal. There has been no participation by either House in the decisions made there. A civil war is going on there.

Why should we continue through this bill to give assistance under those circumstances?

Mr. MORGAN. Of course, Cambodia is a part of the grant military assistance program, as the gentlewoman knows. South Korea, Cambodia, Thailand, Indonesia, the Philippines, Jordan and Turkey are all recipients. Most of the Members of the committee who went over this program felt that a number of these countries certainly contribute significantly to the security of our own country.

So long as present conditions persist in the Indochina Peninsula, with control in Cambodia being exercised by the present government, we believe that the money programed here is needed to help bring peace to that area of the world.

Ms. ABZUG. Mr. Chairman, it has been quite evident that we have no business being in Cambodia. Our activity is totally illegal; it is totally unjustifiable to the American taxpayer and to our constituents. Although the committee proposes this grant military assistance program in Cambodia, it is totally without any authority and has no rhyme nor reason. It has nothing to do with a viable foreign policy.

I believe the effort in this bill to create a meaningful program is seriously marred by this kind of commitment.

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

Mr. MORGAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I would like to join with the gentleman from Michigan in complimenting the chairman of the full committee on his leadership in the very difficult assignment and task of developing a viable foreign aid program. I hope that he is successful in his efforts.

I would also like to comment on the advisability of giving assistance to Cambodia. The gentlewoman from New York (Ms. ABZUG) has said that we have no business being in Cambodia. By that I assume she is saying that the United States has no responsibilities of any kind, and I hope that she represents a minority view.

Mr. Chairman, I suppose most of us—and perhaps the gentlewoman from New York should not be included in this group—recognize that if we are to get peace in Southeast Asia, we need peace not only in Vietnam and Laos, but also in Cambodia, and if there should be ad-

verse developments because we refuse to recognize any responsibility to help these people, we could pull down a structure which we have been trying to develop for a period of more than a decade under Democratic Presidents as well as a Republican President.

So I would say that the assistance to be provided to Cambodia is a very essential and valuable part of what we are proposing to try to promote—peace and the effort to limit the nature of the hostilities which have been going on. I believe that the United States should not only recognize but welcome its responsibilities to try to bring peace to that area of the world.

Mr. MORGAN. Mr. Chairman, I thank the gentleman.

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

Mr. Chairman, I fully support the foreign assistance legislation as we are considering here today. Our distinguished chairman, who has done, as others have said, such a splendid job of bringing this bill through the committee process under very considerable difficulties, has already explained fully most of the specific provisions of the bill. I agree with what he has said, so I see no reason to go over the same ground.

This legislation, which received very strong support within the committee, does give us a new approach to the economic assistance aspect. New language is in this bill which places the emphasis on solving specific problem areas affecting the lives of the people in the underdeveloped world, basic problems such as food production, nutrition, population planning, health, and education.

To accomplish these assistance objectives, the bill would concentrate bilateral development aid on the sharing of American technical capabilities and those agricultural and industrial materials which meet the most basic development needs.

This new approach calls for the U.S. effort to be carried out wherever possible through private institutions such as universities and colleges, cooperatives, credit unions, and voluntary agencies. These institutions have in the past made a significant contribution and under this legislation will have an even greater opportunity to do so in the future.

In addition to the general economic assistance provisions of the bill, the committee recommended the authorization of funds for postwar reconstruction in South Vietnam, Cambodia, and Laos.

These funds are to be used primarily for humanitarian relief and to help the people of these countries to return to some kind of normal peacetime existence. As in the new economic assistance, this program will largely focus on food, education, health, population planning, and human resource development.

The committee also recommended in this bill funds for grant military assistance, security supporting assistance, foreign military credit sales, and international military education and training.

I support these provisions. I believe that if this country is to continue to reduce its overseas troop levels, we must help our friends and allies obtain the equipment and supplies necessary to provide for their own security. This is a basic item in the so-called Nixon doctrine, and I believe it is in the interest of our own national security.

I also support the new international military education and training program, which we have had in the past, but here we separate it out as an identifiable and specific item which will authorize the President to continue to provide education and training at U.S. and foreign military facilities for selected foreign military personnel and related civilians.

Mr. Chairman, in my opinion, this is a good bill even though I may have taken issue in the committee with certain specific provisions that have gone into it. The economic provisions should lead to more effective development. The military security provisions reflect our best judgment of what the U.S. security interests require in conjunction with the interests of our friends and allies.

I urge approval of the bill.

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. BUCHANAN).

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

Mr. BUCHANAN. I yield to the gentleman.

Mr. HAMILTON. Mr. Chairman, the Mutual Development and Cooperation Act of 1973 supports four important aspects of U.S. policy in the Near East and South Asia: First, the U.S. overriding interest in and commitment to peace in the Arab-Israeli conflict and in the South Asian subcontinent; Second, the U.S. desire to promote development and stability in one of the poorest areas of the world, South Asia, by providing technical assistance, especially in the agricultural and population control areas, and by supporting self-help efforts of the countries in the region; Third, making the Near East and South Asia conform to certain general foreign policy objectives including the Nixon doctrine; and Fourth, the U.S. general interest in being able, given our limited resources available, to cope importantly and effectively with the development of the less developed nations.

#### TECHNICAL ASSISTANCE

The most significant portion of this bill as it relates to the Middle East and South Asia covers technical assistance and the training of skilled manpower.

The Foreign Affairs Committee bill recommends that the United States expand its modest technical assistance to the Near East and South Asia regions particularly by extending more help, especially loans, to countries which want American technical expertise in specific fields where they lack technology and trained manpower. Six countries in this region—India, Pakistan, Nepal, Bangladesh, Afghanistan, and the Yemen Arab Republic—are scheduled to receive roughly \$230 million in development as-

sistance, of which about \$200 million are development loans. The programs to these countries are divided among five sectors in the following approximate percentages: Food and nutrition, 31 percent; population and health, 5 percent; human resources, 3 percent; selected development problems, 18 percent; selected countries and organizations, 37 percent; and other small programs, including narcotics, 6 percent.

These country programs are complemented by on going special projects like the Indus River Basin project and technical assistance programs channeled in regional manpower and health educational programs, some involving CENTO countries and others involving the American University in Beirut.

A new section to the bill, section 495 of chapter 10, "Cooperative Economic Expansion," adds another dimension to the Mutual Development and Cooperation Act of 1973 which could have beneficial effects for the United States in the important Persian Gulf area. This new section will increase our ability to offer technical assistance on competitive terms to developing countries that are not recipients of aid. The extension of technical assistance, on a partially reimbursable basis, to such countries serves the economic interests of the United States.

The United States should not be compelled to withhold assistance from countries that need our expertise simply because they no longer need our capital on concessional terms.

Indeed, the United States today is the only major trading nation whose policies ignore the connection between technical advisers and commercial opportunities. If we are able to subsidize or "top off" the salaries of some U.S. experts, as this bill proposes, we could develop an important tie of technical cooperation which would contribute to the protection, at a comparatively low cost, of vital U.S. economic interests, particularly in Iran, Kuwait, Saudi Arabia, the gulf states, and Algeria, the very countries whose cooperation we will need in dealing with our medium-term future oil and gas shortages.

#### TRAINING AND EDUCATION

Two other specific items in the Mutual Development and Cooperation Act of 1973 serve important educational and training purposes in this region. They involve Palestinian refugees and the American schools and hospitals abroad program.

#### PALESTINIAN REFUGEES

The Foreign Affairs Committee continues to support the humanitarian welfare and educational needs of Palestinians still living in refugee camps. The regular budget support we provide through dollar appropriation and Public Law 480 contributions, while a declining percentage of the overall budget of UNRWA, the administering agency, will likely be around 34 percent of the total international effort in 1974. Over the last 16 years, our annual contribution to UNRWA has remained practically the

same—between \$22 million and \$24 million—but in the same period UNRWA's expenditures have risen from \$32.7 million in 1958 to roughly \$61.3 million in 1973.

It is the belief of the committee that our humanitarian and welfare aid can be best served only if there is a good followthrough which gives the refugees meaningful skills to seek jobs. The committee, therefore, asks for an expansion of the important vocational training efforts of UNRWA in order to help refugees acquire skills to fill manpower needs throughout the region. Section 302(e), which helps serve this purpose, was originally introduced in 1970 by the late Congressman James G. Fulton who took a special interest in vocational training of Palestinians.

The \$2 million requested in section 302(e) for fiscal year 1974 promotes, in the committee's view, one of the most valuable activities of UNRWA because vocational training builds for the future by giving people greater hope for a rewarding life outside the camps and lesser attraction to the councils of despair which see the Palestinian right of self-determination only by military and violent means. There is no evidence today of guerrilla activities in any of the existing vocational training centers.

The committee further believes that this special program supplements important bilateral U.S. policy considerations notably on support of Jordan, Israel, and Lebanon. Today, only 4,258 places in vocational training centers can be provided for the more than 300,000 Palestinians who end their 9-year, UNRWA basic education each year. Six of the eight existing vocational training centers are in Jordan and the Israeli-occupied territories of the West Bank and Gaza.

#### AMERICAN SCHOOLS AND HOSPITALS ABROAD

This year, as in the past, a substantial portion of U.S. support for the American schools and hospitals abroad program—section 214 of the act—will be used for institutions in Israel, Lebanon, and Egypt. Two important features of this section are worth mentioning. First, the committee believes that this program needs sufficient funds to continue to support institutions of excellence which demonstrate important American achievements in the fields of education and health. Several such institutions in Israel, Lebanon, Greece, and Turkey will be supported by the funds requested. The committee authorizes for this program approximately the same level of funds appropriated last year.

Second, a proposed new section of the bill—section 214(e)—would seek to help distribute the small funds appropriated by limiting to four the number of institutions in any country that can be supported in any fiscal year. As the committee report for the Foreign Assistance Act of 1971 stated,

The primary purpose . . . (of this provision) is not to help take care of the educational and health needs of foreign countries, but to demonstrate to their people, on



a selected basis, American ideas, practices, and advances in the fields of education and medicine.

This new section is designed to help this program achieve its stated goals and purposes. The committee further believes that other qualifying institutions should be able to receive assistance under other sections of this bill.

#### SECURITY SUPPORTING ASSISTANCE

Most of the funds requested for security supporting assistance are designated for Near East countries—\$65 million for Jordan and \$50 million for Israel. These programs support important foreign policy goals of the United States in the Near East and they seek to promote the climate of stability and peace in two countries with close ties with the United States.

Jordan continues to need substantial support to enable its poor country to rebuild and strengthen itself in the aftermath of the September 1970 civil war between the Jordanian army and certain Palestinian guerrilla groups. Jordan is a moderate Arab state and remains committed to implementing the U.N. Security Council Resolution 242 and to bringing peace to the area through a negotiated political settlement. It is expected that security assistance to Jordan will decrease in the coming few years as this country develops and reaches self-sufficiency. This request is deemed necessary because of the cutoff of subsidy payments by Libya and Kuwait in 1970, Jordan's heavy defense expenditures and the need for substantial infrastructure investments.

Israel also continues to need some additional support because of its heavy defense expenditures to maintain its deterrent capacities and because of its substantial foreign debt servicing burdens. While Israel may well not need grant security assistance in future years in changed circumstances, the committee believes that Israel should be supported in its efforts to create a stable and peaceful environment in which the parties to the Arab-Israeli conflict will hopefully seek to negotiate their differences and bring lasting peace to the area.

#### MILITARY ASSISTANCE

The moderate amounts of military assistance, recommended for Near Eastern and South Asian countries, are essential to strengthen the capacities of countries friendly to the United States to defend themselves. It is imperative to remember that once the military relationships in the Near East or South Asia shift perceptibly to one side or another, the danger of war can greatly increase. Our policies seek to maintain relationships that we believe can best discourage aggressive tendencies on the part of any party. U.S. military training programs will involve over 10 countries in this area but Jordan is the only country in this area which will receive grant military assistance.

#### DRUG ABUSE

Several countries in the Near East and South Asia—Turkey, Iran, Afghanistan,

India, Pakistan, and Bangladesh—have had involvement in the growing and/or trafficking of illicit and licit drugs. Several of these countries also recognize the seriousness of illicit international trafficking and of the United States concerns about this problem. And some states are taking the appropriate initial steps to consult with international authorities in the drug control area and to curb illicit growth and trafficking. Some of the money authorized by this act for control of international growth and trafficking of dangerous drugs will be spent in this region. The committee hopes that more progress is made in all Near Eastern and South Asian countries involved to control drugs.

Mr. Chairman, the Mutual Development and Cooperation Act of 1973 represents, in several fundamental respects, a new and pragmatic approach to helping others help themselves. It recognizes the limits of our resources to extend aid and the need for whatever aid we extend to dovetail with the planning mechanisms and development priorities of each State receiving assistance.

In the Near East and South Asia area, this bill promotes several important foreign policy objectives, the most important of which are the building of peace on solid foundations and the extension of a helping hand to all peoples who want aid and desire our help.

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

Mr. BUCHANAN. I yield to the gentleman from Iowa.

Mr. CULVER. Mr. Chairman, I rise in support of this legislation.

I think we would be guilty of benign hypocrisy if we were to say that the support of foreign assistance by this Congress and by our country is based solely on any narrow interpretation of the American national interest, for, while it serves that national interest—and I am confident of that—I think it also reflects what the American people are in a very important way, and it is an expression of the goodness and the compassion which lie at the very heart of America.

You know, one of our great friends said of us a long time ago that America is great because she is good and when she is no longer good she will no longer be great.

I think it is recognized here at home and in many places around the world that the Americans are a generous and compassionate people who care about the world's ills, who care that there are children who may not be fed except for our help, and there are basic human needs that may not be met without this foreign assistance program.

Therefore, I think this is an expression of what is truest and best in the American people themselves.

Mr. Chairman, it is also quite clear that this does serve our national interest. It serves our national interest in that as one looks across the Atlantic Ocean and sees the thriving, dynamic, healthy Western democracies of Europe and remembers how Europe was after World

War II and before the Marshall plan, then one realizes that Europe in strength and prosperity is much more in our national interest than a Europe that is prostrate or under the heel of totalitarianism.

As one looks across the world to the nations of Asia, Africa, and Latin America, and sees the real and great human poverty that is still there, one must recognize that America would be stronger and safer in a world made better by better conditions for these people, made more stable, more conducive to bringing a generation of peace by their growing prosperity and growing social justice in those countries. We are simply safer in such a world.

Mr. Chairman, foreign assistance also serves our immediate as well as our long-range interests here at home. In the long run we are building markets for our goods and jobs for our people by the foreign assistance program to developing countries. It is slower than the results we saw in Europe. It is more painful, more uncertain, but we are surely making more secure the future of our people our economy, and our Nation through this assistance program.

Right now we are helping to support research in our great universities and to provide jobs for Americans and contracts for American companies here at home because most of this money goes to pay for sales from or contracts with American institutions.

So, Mr. Chairman, I would urge support for this bill, not only because it represents that which is the best in the American people and that which bespeaks their noblest ambitions and highest aspirations, but also because concretely it is in our national interest now, and in the future.

I urge support of the legislation.

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

Mr. BUCHANAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to congratulate the gentleman from Alabama on his eloquent statement, and to associate myself with his remarks.

I think his statement is a very timely reminder of the importance of the foreign aid program, and the fact that this is a burden which benefits us.

I think there is a certain amount of impatience at contributions over a period of years which do not always seem to bear immediate fruit, and there is restlessness about the value of the foreign aid program, but I do think that over the years it has proven its value. This reminder that the job is not yet completed is a most appropriate one, and it is worth being heeded by the membership of the House today.

Mr. BUCHANAN. I thank the gentleman for his contribution.

Mr. Chairman, I would say only two things more.

If we are to fulfill the Nixon doctrine of avoiding such conflicts as those which we participated in in Korea and Vietnam

in the future, then we must fulfill the rest of it, which means providing military and economic assistance to countries so they can defend themselves.

Second and finally, Mr. Chairman, I would say that there are many in the Congress and my congressional district who, if you asked them the question, would say they oppose foreign aid, but, Mr. Chairman, those same people would say yes to a hungry child, and have themselves shown concern for humanity's ills at home and abroad. And I do not believe that many here or at home would pass by on the other side someone wounded and bleeding that they could help. Hence, my support of this legislation is an expression of my faith in the American people themselves.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAILLIARD. Mr. Chairman, I yield 2 additional minutes to the gentleman from Alabama.

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

Mr. BUCHANAN. I yield to my distinguished colleague from Pennsylvania.

Mr. NIX. Mr. Chairman, I thank the gentleman from Alabama for yielding to me. I wish to compliment the gentleman on the remarks the gentleman has made on foreign aid, and it represents the essence of my conviction that I must support this legislation. I wholeheartedly support it because it represents a new approach, and I think it represents the magnanimity of the people in this country.

However, this program is definitely not a "giveaway" to foreigners for which we shall receive nothing in return.

Nor does this assistance to poor masses abroad for their self-help—including emergency relief to starving millions in Africa—take money that otherwise would be spent for schools and hospitals that we need at home.

Having just voted against the President on the issue of his impoundment of funds needed for the welfare of the people of the United States, I could not vote for H.R. 9360 if it deprived us too.

But the real effect of this reform bill, in my opinion, will be quite the opposite.

It will be to give the American taxpayer more for his foreign aid dollar, to shift a significant amount of our assistance to developing countries into the private sector, and to help our own economic growth.

One hears it said that at a time when the United States has severe balance-of-payments difficulties, we should be clamping down on our overseas assistance.

The Foreign Affairs Committee looked into this before approving this reform bill, the Mutual Cooperation and Development Act of 1973. We examined the most recent complete figures available, which are for fiscal 1972.

We found that 80 percent of AID spending for development assistance that year was for goods and services bought right here in the United States. Some of the remainder was spent over-

seas in the form of excess foreign currencies, not in dollars. Meanwhile we were getting repayments on past aid loans in dollar amounts greater than what we were spending abroad.

So the net impact of this economic assistance was a balance of payments—plus for us. We got back \$32 million more in fiscal 1972, on balance of payments, than we paid out.

In the case of supporting assistance, our total balance-of-payments drain in fiscal 1972 came to a net \$142 million.

For the military part of the program, cash and credit sales during the year brought in a net plus to us in balance of payments of nearly \$3.4 billion.

One of the ways in which I expect this reform bill will help our own economy is through our relationships with the developing countries.

These countries cover some 60 percent of the world's land surface. We consume 40 percent of the world's output of raw materials and energy.

We need what they can supply. And we also need improved access to their markets.

Already we sell to the developing countries nearly as much as we do to the advanced nations of West Europe and Japan combined. The more the economies of the developing countries improve the more they can buy from us.

A notable feature of the reform bill is its proposal to set up an export development credit fund. This fund would operate like the Export-Import Bank, using public borrowing authority.

The purpose of this fund would be to promote sales of U.S. goods needed by the developing countries. It would do so by offering easy-term credits to allow American products to compete more successfully in the markets of the poorest nations, where our exports have been declining.

The fund would operate at about a \$1 billion-a-year level. Using the same yardstick as the Eximbank does, that would mean the creation of an estimated 80,000 additional jobs for Americans here at home, because of our increased exports.

Also the fund would not involve any new budgetary outlay. Its subsidy costs would be covered by repayments from past aid loans.

The use by the fund of public borrowing authority would mean that the private sector—such as banking institutions—would be participating in the development lending process. The fund would be borrowing in the private capital market.

Under the present development loan system, the money comes directly from appropriations supplied by the U.S. taxpayer.

Over a period of time, therefore, I anticipate that the operations of the fund would reduce the need for appropriations for the bilateral economic development loans abroad which have been a traditional form of foreign aid.

There are a number of other provisions in H.R. 9360 which merit the strong sup-

port the bill has received in the Foreign Affairs Committee and elsewhere.

I wish to call the attention of the House to a special provision voted by the committee for American assistance in one of the most tragic situations in the memory of man.

I refer to the drought that has seared the Sahel region of Africa for the last 5 years. About 25 million people live in the 6 countries of this region: Chad, Mali, Mauritania, Niger, Upper Volta, and Senegal.

You all know of the terrible famine that has descended on these people. An estimated one-third of them are suffering from hunger and malnutrition. Starvation and thirst are taking a hideous toll, particularly among the children and the elderly.

An international relief effort is underway in which, I am glad to say, the United States is a major participant.

This bill authorizes the appropriation of \$30 million for famine and disaster relief to these sub-Saharan countries.

The measure also would authorize the start of a program for medium- and long-term reconstruction and development of the stricken area. While the current effort is focusing on immediate emergency aid, the committee believes the time also is appropriate for the United States to join with others in beginning to plan for longer range reconstruction.

Mr. Chairman, I have mentioned but a few provisions of this forward-looking and innovative reform bill.

Others may wish to stress different aspects.

Overall, I believe H.R. 9360 adds up as one of the finest measures produced by the Foreign Affairs Committee in the decade and a half that I have been a Member of Congress.

I urge your support.

Mr. BUCHANAN. Mr. Chairman, I thank the gentleman for his contribution.

I would only say, in conclusion, Mr. Chairman, that Americans when they are confronted with human need typically and traditionally do not pass by on the other side, and neither should the Congress or this Government.

Mr. Chairman, I urge support of this legislation.

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Chairman, I would like to direct my remarks to section 824 of H.R. 9360.

My colleagues, I am sure, will recall the poignant photograph that appeared in the New York Times 2 years ago. It showed a little 10-year-old Vietnamese girl, Kim Phuc, as she left her burning clothes behind in her flight from falling napalm bombs. This famous picture captured dramatically the agony and suffering of the most innocent victims of the war, the Vietnamese children.

South Vietnam has a young population, with nearly 50 percent of its inhabitants under the age of 15. Of these, nearly 700,000 are orphans as a result of



the intense fighting during the conflict. The children, as marginal numbers of the society, have been the most helpless victims of the war's devastation. Thousands of these stray youngsters have been forced to migrate from their former homes in the countryside to the cities, where they join bands of urchins roaming the streets and scavenging for food. Their tragic plight was graphically recorded by the National Broadcasting Co. in its recent television documentary: "The Sins of thy Fathers."

We in the United States undoubtedly are most concerned about those who were fathered by American citizens. It is estimated that there may be 50,000 of these children of mixed parentage in Vietnam. As outcasts in their own culture, these half-American children are a pathetic legacy of American involvement in Vietnam.

In view of the predicament of the thousands of war-disadvantaged children in South Vietnam, I am pleased that the House Foreign Affairs Committee unanimously adopted by amendment to the Mutual Development and Cooperation Act of 1973. As approved section 824 earmarks \$5 million for the specific purpose of providing assistance to children in South Vietnam. The funds can be used for two purposes:

First, they can provide for the establishment, expansion, and improvement of day-care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training programs related to such articles.

Second, the funds may be used to facilitate the adoption by American citizens of orphaned and abandoned children in South Vietnam, especially those fathered by Americans. Of the funds available under this section, however, not more than 10 percent may be used for adoption assistance.

In the past, our Nation has assisted the people of Europe and Korea in recovering from war's devastations. In keeping with our humanitarian tradition, I believe that the assistance provided under section 824 of the Mutual Development and Cooperation Act of 1973 is a particularly appropriate expression of our Nation's compassion and concern for the young victims of the war in Vietnam.

We can make no more significant beginning our rebuilding assistance to South Vietnam than by providing for that nation's children. Hopefully, through our compassion and humanitarian leadership in aiding these war-disadvantaged children, we can help to build the foundation of an era of cooperation and peace in that worn-torn part of the world.

Mr. MORGAN. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, I am offering two amendments to the Mutual Development and Cooperation Act which are designed to provide a degree of protection for U.S. fishermen.

Under current law—the Foreign Assistance Act—the President is urged to deny aid to those countries which violate international law by seizing U.S. fishing vessels on the high seas.

As you know, Ecuador and Peru claim jurisdiction over the waters 200 miles from their shores. The United States, in accord with international practice, claims only 12 miles from shore.

First, as a maritime Nation, the free and open seas are extremely important to our well-being—both economically and for national security purposes. If other nations joined in the arbitrary extension of the limits of jurisdiction, then we would witness a practical closure of the seas—a move that could be disastrous to our naval ship movements, to our merchant fleet, and to our fishing industry.

In order to resolve the disputes over the limits of jurisdiction, the Law of the Sea Conference, under the auspices of the United Nations, has been formed and is currently underway. Our position at that conference is that no nation should extend its territorial jurisdiction more than 12 miles from its shores. And, we feel that international commissioners should regulate the conservation and the fishing of migratory fish, such as the tuna.

I have no quarrel with our position, but I do feel that the committee bill undercuts our goals, and signals other countries that we no longer favor the 12-mile limit.

And, second, why should we pay foreign aid to nations which violate international law and seize our vessels?

Why should we pay a foreign government ransom with one hand, and foreign aid with the other?

It seems to me that one way to protect our fishing fleet—to discourage piracy—is to deny foreign aid to those countries which violate international sanctions. Rather than reward them with aid, rather than attempt to pay for protection, we should cut off aid.

Some say that the current law urging the President to deny foreign aid to pirate nations has not worked, and thus should be abandoned.

I say the current law has not worked, because the administration has ignored it. By granting aid and assistance—often, only days after an illegal seizure—the foreign countries know that we are not serious—they know that we have no intention of doing anything to protect our fleet.

As a result, the pirate nations continue to exact tribute from our fishermen and also collect American tax dollars in the form of foreign aid.

Rather than repeal the law urging the President to withhold aid, we should be strengthening that law to prohibit aid to those who violate international law by seizing our ships on the high seas.

The second amendment that I will offer would retain that section of the military sales act which directs the administration to prohibit military aid to pirate countries, unless it is "important to the security of the United States."

Again, why should we give military equipment and weapons to a country which turns around and uses them against us?

And that is what has happened in some of the nations which seize our ships—often with ships on loan from the United States.

At least, this part of the law—which directs the administration to cut off military aid to those who illegally seize our vessels—was put into effect in 1971. And we do have some progress, as we have seen the number of vessels seized by Ecuador drop from 51 in 1971 to 4 in 1973.

Let us retain that language and, therefore, inform the administration that military aid, which in turn is used against us, should not flow to these nations.

At the proper time, I will offer these two amendments which are designed to retain the language which, if used effectively, could provide protection for our fishing fleet. I hope that my colleagues will join with me in adopting these two measures.

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

Mr. ANDERSON of California. I yield to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Chairman, I want to commend the gentleman for his statement, and his stated purpose to offering amendments to try to take care of this disgraceful situation in which American taxpayers are gouged for millions of dollars to pay what amounts to bribes to those governments which seize our fishing vessels.

Mr. ANDERSON of California. Mr. Chairman, I thank the gentleman from Iowa very much, and I appreciate his remarks.

Mr. MAILLIARD. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, I will not take more than 3 minutes, since there are many amendments and such spirited interest in a number of them. I think we should proceed to the important work of amending the bill.

I do wish at this point to commend the chairman, Mr. MORGAN, for producing this bill. Even though I voted against it and I do oppose the program, it takes a great deal of skill to move any legislation through a committee of 40 complex individuals, every one of them presuming he is as great a statesman as the Secretary of State. Dr. MORGAN does a great, diplomatic job in keeping the committee functioning.

Actually, Mr. Chairman, I would like to point out that there are major inconsistencies in this bill. I hope we can clean it up as we go through the amendment stage, but I think the most important inconsistencies are the ones a few of us referred to in producing the minority views. I would recommend to the Members that they take a look at those views.

The Foreign Aid Administration having reached a low ebb, it is that time in its history when a new title is slapped onto an old program. That is one of the

basic defects of this bill. It is changed, supposedly, by an adjustment of terminology, but does not cure the administrative difficulties that are inherent in the program.

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

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

Mr. PASSMAN. I thank the distinguished gentleman for yielding.

I shall have something to say later today, for the first time in 27 years, on a foreign aid authorization bill.

I want to say also that for the first time in 27 years I shall make a point of order against a quorum not being present. Therefore, Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The gentleman from Louisiana makes the point of order that a quorum is not present.

Mr. PASSMAN. Mr. Chairman, I withdraw the point of order.

Mr. DERWINSKI. I thank the gentleman from Louisiana, who in his own way is also a great statesman.

I do wish to return to one point which I feel must be made at this time. This bill has a few fine features, but it has far, far more defects, many of which will not be cleared up in the process of the deliberations this afternoon. Perhaps the best treatment for this program would be the shock treatment of the House in rejecting the bill. I add that to the consideration of Members, when we reach the point much later in the day in voting on final passage, regardless of the condition of the bill. I believe that by the time we finish working through the 5-minute rule the sponsors will not recognize this bill. It will be much more chaotic than the farm bill and some of the bills that come from the Committee on Banking and Currency.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, I requested this time so that I may ask some questions about the bill. I appreciate the courtesy of the distinguished gentleman from Pennsylvania, the chairman of the committee, for whom I have a great personal regard, in yielding time.

It has been a policy for some years in this country to restrict or even to prohibit the sale of weapons to certain friendly nations, notably in Latin America, on the basis that they cannot afford them, that they should be spending their resources for domestic development. Of course, this point is well taken, but those nations simply do not pay any attention to American moralizing on what they should or should not buy. When they want modern weapons, if they cannot buy from us they go elsewhere to obtain them. They prefer to buy from America.

That means other countries enjoy the trade. Their industries and their workmen benefit. America's balance-of-trade suffers. Other nations are able to have personnel in the buying countries as training and maintenance teams, and

that helps to insure good will for the countries which supply the weapons.

I know it is the policy of the present administration to ask for relaxation of that prohibition on the sale of weapons. I should like to ask the distinguished chairman whether this bill does relax the prohibition on the sale of weapons to friendly nations?

Mr. MORGAN. In Latin America?

Mr. SIKES. Yes.

Mr. MORGAN. Yes, it does.

Mr. SIKES. So that there are no restrictions in this bill on the sale of weapons?

Mr. MORGAN. It increases the ceiling and meets the request from the Executive.

Mr. SIKES. Mr. Chairman, the distinguished gentleman from Florida (Mr. FASCELL) has been active in this field, and I yield to him for a comment.

Mr. FASCELL. I appreciate my colleague from Florida yielding.

As the chairman has pointed out, the ceiling was increased, as the administration requested, and also cash sales were taken out from under the ceiling. That is a tremendous improvement with respect to the administration meeting the legitimate requests from Latin America.

The distinguished gentleman from Florida, of course, has been very active and a leader on this issue. He realizes that what happens in the United States has lost those markets, despite the best intentions to hold down military expenditures. It seems ridiculous for the United States to have only a very small percent of the market, because the Latins insist on buying elsewhere.

Mr. SIKES. I appreciate the statement of my distinguished colleague.

Mr. Chairman, I have been quite concerned about a situation in the Sudan, where Americans and other foreign diplomats were murdered by guerrillas several months ago.

Mr. Chairman, as far as I have been able to determine, they have not been tried. There has been no punishment. The President of the Sudan stated immediately after the terrorists were apprehended that justice would be done, and he left the clear impression that justice would be done speedily. Since these guerrillas presumably are part of a widespread terrorist movement, I am informed the Sudanese have been under very considerable pressure to take no responsible action against those who committed the crimes.

I find that there are large sums included in this bill for Sudan.

If I am not mistaken, there is \$5 million for developmental loans; \$400,000 for technical assistance; and \$3 million in wheat sales under Public Law 480.

Mr. Chairman, it would appear to me that when so little has been done to punish those who murdered in cold blood American and other diplomats, we are entitled to more assurance from the Sudanese that justice will be meted out.

I will ask if the distinguished chairman or any other member of the committee cares to make a comment on this point?

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

Mr. SIKES. I yield to the chairman of the committee.

Mr. MORGAN. Mr. Chairman, of course, the committee is familiar with what the gentleman has stated. I want to point out that these murders occurred in March of this year.

Mr. SIKES. That is enough time to convict a killer in most nations.

Mr. Chairman, in further answer to the question, the Palestinian Black September organization has claimed credit for these murders. As we know, they also attacked the Saudi Arabians.

The Government of Sudan has said that they are going ahead and are going to be serious about trying these murderers. The date of the trial, I admit, has not been set yet, but as far as we can find out from our own State Department, there has been no indication that the Government of Sudan is not going to try them.

As the gentleman knows, many times in this country, through various legal tactics, trials of murder cases are delayed. I know of cases in my own district where there have been murders years ago and they are still trying those cases.

So I would feel, with the time limitation we have, unless there is some official statement from the Government of Sudan that they are not going to try them, I would have to take their word that they are serious and are going to try these individuals.

There are other areas in which I have concern. I note that the committee bill proposes to put an end to the policy of cutting off foreign aid to countries which seize American fishing vessels. To me this is incomprehensible. However much we want the friendship of other countries, we must protect the interest of American citizens. We require a policy that has teeth in it and we should have the courage to stand by such a policy. I can see no justification for terminating the present law which deals with the reprehensible policy engaged in by those Latin American countries which seize American vessels.

Mr. MAILLIARD. Mr. Chairman, I have no requests for time.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I rise in support of H.R. 9360—the Mutual Development and Cooperation Act of 1973—as reported from the Committee on Foreign Affairs.

At the outset, I wish to commend the chairman of the committee, Dr. MORGAN, for the excellent leadership he has provided to the members in guiding this legislation to the floor.

It was through his diligent efforts that the major reforms in foreign assistance which are included in this bill were brought to fruition.

To be commended as well the many members of the Committee on Foreign Affairs the ranking minority member our distinguished colleague from California (Mr. MAILLIARD) who labored over,



supported, and voted for the restructuring of bilateral economic assistance which is included in the Mutual Development and Cooperation Act.

This legislation represents a true congressional initiative at a time when the American public is looking to the Congress for leadership and decisive action.

A group of committee members wrote the President in mid-April asking him to put an end to foreign aid programs as they have been known in the past.

In that letter, we outlined the principles on which we believed future such programs should be based.

We never received an answer to that letter, and when the administration's requested bill arrived, it did not contain the suggested reforms.

At that point, a group of committee members—from both sides of the aisle—worked together in a series of informal meetings to formulate new foreign assistance legislation.

That legislation was introduced in late May, with the cosponsorship of 26 members of the Committee on Foreign Affairs.

Subsequently, the reform proposals received the endorsement of several administration officials including:

Secretary of State William Rogers;

Dr. John Hannah, director of the Agency for International Development; and

Mr. Peter Flanagan, chairman of the Council on International Economic Policy.

In addition, testimony in favor of the legislation was received from a number of prominent Americans, including:

The Honorable Orville Freeman, president of Business International and former Secretary of Agriculture;

Mr. Tony Dechant, president of the National Farmer's Union and chairman of the Advisory Committee on Overseas Cooperative Development;

Mr. James Grant, chairman of the Overseas Development Council.

In addition, the committee received letters endorsing the proposal from:

Former Secretary of the Treasury Douglas Dillon;

Mr. Edward E. Hood, Jr., vice president of the General Electric Co.; and

Mr. David Rockefeller, chairman of the Chase Manhattan Bank.

The proposal was unanimously endorsed recently by a bipartisan group of 20 members of two former advisory groups on foreign aid.

The group met in Washington in late June. It was composed of members of President Johnson's General Advisory Committee on Foreign Assistance Programs which was chaired by James A. Perkins, and President Nixon's Task Force on International Development headed by Mr. Rudolph Peterson.

Mr. Perkins was then president of Cornell University and is now chairman of the International Council for Educational Development. Mr. Peterson was then president of the Bank of America and is now director of the United Nations Development Program.

A number of prominent newspapers

have endorsed the proposal or commented favorably on it, including the Journal of Commerce, the Washington Post, and the New York Times.

There are good reasons for the broad acceptance for the reform program represented in this bill.

First, there is widespread dissatisfaction both in Congress and among the public in the way in which our foreign assistance funds have been expended.

Second, conditions in the developing countries have changed significantly since the last major overhaul of foreign assistance in 1962.

Third, the new proposals meet the requirements of those changed circumstances.

The changes basically are three:

First, future U.S. bilateral economic assistance programs are to concentrate on acute problems common to developing countries.

Among those problems are insufficient nutritious food, lack of elementary health care, rampant disease, poor sanitation, excessive population growth, illiteracy, and lack of essential job skills.

In the past our foreign assistance concentrated on the industrial sectors of the recipient nations. The theory was that the benefits of industrialization would "trickle down" to the majority of the population which is poor.

As a result of United States and their efforts, many developing countries have managed to increase their gross national products substantially.

Unfortunately, however, those benefits in many cases have not been distributed generally through the population but have been enjoyed principally by those involved in the urban, industrialized sector.

As a result, the gap between the rich and the poor in the developing countries has itself widened in the past decade.

The reforms envisioned in H.R. 9360 would reverse the emphasis of the past and attempt to aid the poorest majority in the recipient countries meet their most urgent problems.

Under this bill, it is contemplated that the large foreign aid bureaucracy would be significantly reduced.

No longer would large missions be required in recipient countries. No longer would a large bureaucracy be necessary here in Washington.

Instead, the emphasis would be on using the private sector—voluntary organizations, cooperatives, credit unions, universities, and similar groups—to carry out programs of assistance to meet urgent needs.

Moreover, the responsibility for development planning would be assigned to the recipient countries themselves, with the United States being in the role of collaborator rather than initiator.

For too many years our foreign assistance attempted to impose "made in America" solutions to the problems of the poor countries, through the concept of "country planning."

Many of the problems of our foreign assistance resulted from the tendency to

impose American solutions on foreign problems.

Mr. Chairman I submit the recipient countries themselves are capable of doing their own planning. The U.S. role must be a secondary one—a willingness to help, but not to be the boss.

The second major reform in the legislation before the House is the creation of a new Export Development Credit Fund.

This Fund would provide the means for shifting our programs away from development lending and toward export promotion.

It would create a facility for the purpose of increasing U.S. exports while at the same time advancing the development of the more than 1 billion people who live in the low-income countries of Asia, Africa, and Latin America.

The proposed fund would utilize repayments from past foreign assistance loans to subsidize the interest rates on export credits to the developing countries which have a per capita income of \$375 or less.

The bill would authorize about \$1 billion of exports per year, which could create as many as 80,000 new jobs for American workers.

At the same time, budgetary outlays would not be increased.

The interest differential between the cost of borrowing money by the Fund, and the exporter credits extended by it, would be covered by the receipts from past foreign aid loans.

The Fund would operate much like the Export-Import Bank and would put our relationships with the recipient countries on a much more businesslike and realistic basis than has been possible under the present development lending programs.

The third major reform proposal would establish a Development Coordination Committee to advise the President with respect to U.S.-supported policies and programs—both bilateral and multilateral—which affect development in the low income countries.

In the past, such a coordinated effort has been lacking. Departments and agencies whose programs affect the developing nations have often worked at cross-purposes.

Furthermore, the two bodies the National Advisory Committee on International Monetary and Financial Policies—NAC—and the Council on International Economic Policy—CIEP—which are charged with coordinating U.S. international economic policy at present have no representation by the agency administering economic assistance. AID is represented on neither.

The new coordinating committee would be a statutory body, chaired by the administrator of the Mutual Development and Coordination Agency.

Its membership would include officials of the Departments of State, Treasury, Commerce, Labor, Agriculture, the Executive Office of the President, and others as designated by the President.

The committee would operate under

the foreign policy guidance of the Secretary of State.

Recent nationwide polls conducted by Peter D. Hart Research Associates indicate that the American people basically favor the idea of responsible, mutually beneficial foreign assistance.

The polls showed that Americans approve tangible forms of U.S. assistance—such as food and health aid—rather than nebulous transfers of funds in the form of loans or grants.

The American people have always responded with generosity and sympathy to foreign peoples who, for no fault of their own, are sick, hungry, or homeless.

Those are the very problems which this legislation seeks to target, and I believe the American people support it.

In that context, let me address the question which has been raised comparing the impoundment of funds for domestic welfare purposes with the request in this legislation for assistance abroad.

No one in this Congress is more adamantly opposed than I to the capricious impoundment of funds for domestic programs which has been practiced by this administration.

At the same time, I do not know why the Congress should take out its anger and frustration on the poor and unfortunate of other lands.

Let me point out, for example, that the amount which is provided in this legislation for health and family planning is but 1.6 percent of the local Federal expenditures for the same purposes in the United States per fiscal year.

We are not spending money abroad building modern new hospitals filled with the latest diagnostic equipment—as we would in the United States.

Far from it. The funds which are being expended in this category are intended to bring the most elementary kinds of health care to people who are ravaged by diseases virtually unknown in this country because of our higher standards of sanitation and health care. Permit me to mention that disease and epidemics respect no national boundaries.

Another category of authorization in this legislation is education and human resource development.

The amount involved is about 2 percent of the amount of annual Federal outlays in this Nation for a similar purpose.

Again, we are not talking here about building new universities which will benefit the few. We are interested in teaching masses of people to read and write—the basics—in order to prepare them to contribute to the development of their countries.

I believe that the people of these low-income countries—if given a chance—can increase their productivity and improve their way of life. We have examples of such success in countries such as Taiwan, South Korea, and Singapore.

Impoundment is a problem of today. But in this legislation we are attempting to look beyond immediate problems to the dire consequences which may lie ahead unless something is done to cure

the "disease" of extreme poverty which now scourges our planet.

I urge the Members of this body to read carefully the committee report, to listen to the debate and then to cast their votes—not on the basis of the expedients of the day—but on the basis of the long-term best interests of the American people and of all the world's people.

Mr. DIGGS. Mr. Chairman, these sections would amend the Foreign Assistance Act of 1961 in connection with the drought disaster in the Sahelian nations of West and Central Africa:

First. Section (a) of section 639A is a statement of policy, affirming the support of the Congress for the response by the U.S. Government to alleviate the suffering of some 25 million people, the decimation of their livestock, and the desertification of their countries—an area the size of continental United States.

Second. Section (b) of 639A authorizes a special no-year appropriations, in addition to funds otherwise available, of \$30 million to be available to the President for famine and disaster relief and rehabilitation assistance, to be used as the President determines, for the emergency needs caused by the crisis as well as for the recovery period which is expected to take about 3 years.

Third. Section 639B affirms congressional support for the initiative of the U.S. Government in undertaking discussions and international conferences, and otherwise, with the other donors concerned, with the international organizations and regional organizations involved and with the Sahelian nations themselves toward the development of a comprehensive long-term African Sahel development program.

Thirty-million-dollar special authorization: It is clear that exact needs have not been identified. Thus no clear documentation can be given. As was said on pages 3-4 in the August 1, 1972, report on the Foreign Assistance Act of 1972, regarding the authorization for an appropriation of \$100 million to Bangladesh, additional to the existing \$267.5 million already pledged by the United States:

It is still too early to attempt to estimate the total cost of relief and rehabilitation in Bangladesh. There is no doubt, however, that the need is great and substantial assistance will be necessary to help the people of Bangladesh recover from the effects of war and rehabilitate their economy.

In the Sahel many nomad communities are remaining in the desert, and it is not known how many people there are, how many are dying, and where they can be located. In many cases the only means of supplying food is by airlift by small aircraft to the poor landing strips in remote areas, or by airdrop with special equipment. Observers have stated that only the United States has the resources for such an operation. Many have already died, either from starvation or from endemic diseases such as cholera in Senegal, measles in Mali and Niger, and meningitis in Chad.

In the case of the drought-stricken Sahelian nations, as is said in the President's letter of June 20 to the U.N. Secre-

tary General, there is a great deal more to be done. Although the total amount of the shortfall this year in food is not clear, it is indisputable that the margins of available food are thin and that we must stand prepared to do more.

Countries stricken by the drought: Six countries are principally affected: Mauritania, Mali, Chad, Senegal, Upper Volta, and Niger.

However, many others have been affected by drought, including Ethiopia, Sudan, Central African Republic, Nigeria, and the other countries to the south of the Sahel zone. In addition to their own crop failures, they are faced with a massive influx of refugees from the north.

The population of the 6 countries is at least 25 million. There may be many more, but no census has been taken. The people are mainly nomads reliant on their herds for survival; there are also settled farmers and fishermen in areas near water.

United Nations officials estimate that at least 6 million people are in danger of starvation this year.

The six countries are among the poorest in the world, with per capita incomes of under \$100 a year.

Normal rainfall in the area is between 4 and 12 inches a year; in the last 5 years there has been very much less. Crops have failed, or been greatly reduced over several years, leaving no reserves of grain at all in the area. Nearly all the cattle, sheep, goats, and even camels have died, leaving many of the people destitute, and with no means of survival for the future. Rivers and lakes have dried up or are at very low levels, and the water table has dropped about 25 feet, leaving many of the communities with dry wells and no access to water.

AID advises that it has no objection to this amendment. AID further states "the \$30 million which would be authorized by this amendment is the initial estimate of the needs for relief, rehabilitation and related assistance. The executive branch would seek additional appropriations as needed for these purposes over the open-ended authorization for disaster relief provided by section 451(a). The use of funds hereunder would be consistent with the President's budget proposals for fiscal year 1974."

Some \$22 million has been committed by the United States both for the provision of foodstuffs, for its transportation and other related assistance. U.S. Government emergency food aid to the Sahel in fiscal year 1973 was 107,000 metric tons of grain. Although it is impossible at this point to identify precise needs, there is an AID projection for the period October 1973 to September 1974 of a need of 800,000 metric tons of grain of which the United States proposes to provide some 300,000 metric tons "a figure which would maintain the proportion of concessional food aid supplied by the United States at approximately current levels." This quote is taken from an AID document. One problem here with respect to a hard definition of what is needed arises because we are dealing with an immense geography. Our task here is to make



available to the President for his use, as he may need a reasonable amount.

Although needs have not been identified, it is clear that needs will have to be met with respect to:

- The development of ground water;
- The digging of wells;
- The resettlement of the peoples;
- Reforestation;
- The health of the people in the affected countries;

- The protection of livestock herds;
- Provision of seed grain;
- Inoculation against diseases;
- Internal transportation of foodstuffs;
- Effort to help balance payment problems being caused; to the budgets of these countries where the tax revenues; and foreign exchange earnings were so drastically affected by the drought.

This amendment makes it clear that the Congress supports the initiative of the President in his undertaking to the Secretary General: "The U.S. stands prepared to commit further resources as identified." I would like the text of the President's letter included in the RECORD, as well as the AID comment. The United States should do its part and be in the forefront of the international action to alleviate the suffering to the millions of persons and to the six countries of the Sahelian area: Mauritania, Chad, Senegal, Upper Volta, Mali, and Niger.

I would like to submit for the RECORD a basic fact sheet on the Sahel.

African Sahel development program: Section 639B registers congressional support for the U.S. Government to cooperate and take the initiative with the Sahelian nations, other donors, and regional organizations to develop a long-term comprehensive program for the Sahelian nations of Africa.

Even before 1968 and the drought, the rate of agricultural production of these countries increased negatively. To reclaim the desert, the effort in this area must be given the planning and international support provided by the international community with the substantial support of the United States for the Indus Basin in the Mekong Delta.

A massive multilateral effort—coordinated by the countries themselves—must be undertaken now. And I am speaking of an effort on the scale of:

The Marshall plan, where the United States spent some \$12 billion in 4 years alone on the reconstruction of Europe and provided \$28 million in economic assistance to Europe—developed not developing countries—from 1946 to 1972;

On the scale of the Indus Basin where the United States alone committed \$651 million and the international community \$15 billion;

On the scale of the Mekong Delta project where the United States committed \$237 million and the international community \$410 million.

I have attached charts, which I request become part of the report to show the scope of the U.S. effort in the Asian subcontinent in Southeast Asia and for the Post War reconstruction of Europe. There is also a chart showing total U.S. economic assistance to the countries concerned.

I would also like to insert a chart show-

ing U.S. assistance and other data for the countries of the Sahel.

The need for the proposed regional program for the Sahel is only aggravated by the drought.

When we realize one-seventh of the Earth's surface is covered by desert, it is clear that the international community must systematically plan to meet the problem of desertification. In the Sahel, 250,000 square miles of arable land was forfeited for the Sahara in the past 50 years.

In addition to the drought, the process of desertification—the desert is advancing southward at 30 miles a year in some parts—is exacerbated by uneven attempts at development projects by uncoordinated aid programs by bilateral as well as multilateral channels. For example, the provision of wells may cause overgrazing; so many programs of disease control for cattle. The need for a comprehensive, tightly coordinated and long-term program of rehabilitation of the whole area is becoming widely, if belatedly recognized.

The U.S. Southwest demonstrates that the desert can be contained. For the developing countries, and particularly those of the Sahel which rank among the least developed countries, a multilateral program must be undertaken in cooperation with and following the lead of the countries concerned. And in the Sahel economic assistance must be coordinated to avoid desertification caused by poorly planned development.

There must be concurrent effort regarding: livestock and range lands; crops, agriculture lands and applied agricultural resources; reforestation; development of water resources; restocking of fish resources of the lakes and rivers of the area; and massive work programs.

In conclusion, our concern here is humanitarian. But there are other factors. The area holds deposits of iron ore, copper and possibly oil. In fact, U.S. oil companies are exploring in this area. Further, in a time of threatened world food shortages, the international community cannot afford to let arable land become desert. Nor can it afford not to commit the resources needed to rehabilitate semiarid areas and stabilize and contain the desert.

During the past 5 years a drought has become increasingly severe in the Sahel region. The United States and other international donors have focused on immediate short-term assistance to the affected region over the past year. At this time, it is appropriate that the United States and other donors join with the affected countries to begin to plan for the medium- and long-term relief, reconstruction and development of the affected areas.

AID concurs with congressional endorsement of cooperative long-term planning for the preservation and development of the Sahel region.

What we are seeking for the long-term is a multinational and international effort with the countries concerned, with the U.S. Government indicating now that it is prepared to cooperate in an African Sahel development program.

I include the following:

THE WHITE HOUSE,  
Washington, D.C., June 20, 1973.

His Excellency Dr. KURT WALDHEIM,  
Secretary General of the United Nations,  
United Nations, N.Y.

DEAR MR. SECRETARY GENERAL: I fully share the concerns which you have expressed to Ambassador Scali for the millions of persons who are suffering from the terrible drought in the Sahelian nations of West and Central Africa. For many months reports from United States and United Nations representatives and from the governments themselves have related graphically the growing effects of the worst drought of this century in the African Sahel. Those of us who have been spared this scourge have been responding to the crisis, but more must be done, as you have said. The United States stands prepared to commit further resources as needs are identified.

As you know, the United States response has been carried out on several fronts. We have increased the amounts of foodgrains destined for these nations through both American programs and the World Food Programs. By mid-summer, 156,000 tons of grain valued at nearly \$19 million will have arrived in West African ports or in the interior states of Mali, Upper Volta, Niger and Chad. Two million dollars in disaster relief funds have also been made available. United States Air Force aircraft, and those of other donors, are airlifting grain to stricken nomads and farmers in remote districts of Mali and Chad. Animal feed and vaccines are being distributed to save as much livestock as possible. Medicines are being provided to combat malnutrition and potential epidemics. In response to a request from Director General Boerma, the Agency for International Development has provided a logistical planning expert to the Food and Agriculture Organization of the United Nations and our staffs in West Africa are being augmented to improve our ability to deliver what is needed to the right place at the right time.

We share your concern that the problems of dealing with the immediate emergency will become even more difficult as the rains begin and road transport problems increase. We therefore stand ready to provide further support for internal transport, as specified needs are identified.

As you have recognized, this region is faced not only with the immediate needs of feeding the hungry but also of rehabilitating water and forage resources, livestock herds and grain producing facilities to permit a long range recovery from the devastating effects of the drought. This effort will require close collaboration among African leaders and the donor community. As specific rehabilitation needs are more clearly identified, and as it becomes clearer what others are ready to do, the United States will be prepared to provide additional assistance for the Sahel to help overcome the profound effects of this tragedy.

In order to coordinate more effectively our emergency relief efforts and to plan our part in a rehabilitation program, I intend to designate Mr. Maurice J. Williams as a Special United States Coordinator. He will cooperate closely in his work with Director General Boerma and with other governments—so that the work of relief and rehabilitation can go forward as expeditiously as possible.

Sincerely,

RICHARD NIXON.

AID COMMENTS—AMENDMENT TO H.R. 7484

AFRICA SAHEL ASSISTANCE

(Page 20, line 9)

JULY 17, 1973.

This amendment would add a new section 659 and section 660 to the Foreign Assistance Act. Section 659 would authorize the appropriation of at least \$30 million for famine and disaster relief and rehabilitation assistance for the drought stricken Sahel na-

tions in Africa. Section 660 is a Congressional endorsement of planning for long-term needs of the area in connection with the UN and other organizations.

#### A.I.D. Position

A.I.D. has no objection to this amendment.

#### Discussion

During the past five years a drought has become increasingly severe in the Sahel region. The U.S. and other international donors have focused on immediate short-term assistance to the affected region over the past year. At this time, it is appropriate that the U.S. and other donors join with the affected countries to begin to plan for the medium and long-term relief, reconstruction and development of the affected areas.

The \$30 million which would be authorized by this amendment is the initial estimate of the needs for relief, rehabilitation and related assistance. The Executive Branch would seek additional appropriations as needed for these purposes over the open-ended authorization for disaster relief provided by section 451(a). The use of funds hereunder would be consistent with the President's budget proposals for FY 1974.

A.I.D. concurs with the Congressional endorsement of cooperative long-term planning for the preservation and development of the Sahel region.

#### Basic facts on the Sahel

Countries stricken by the drought: Six countries are principally affected: Mauritania, Mali, Chad, Senegal, Upper Volta and Niger.

However, many others have been affected by drought, including Ethiopia, Sudan, Central African Republic, Nigeria and the other countries to the south of the Sahel zone. In addition to their own crop failures, they are faced with a massive influx of refugees from the north.

#### Population

The population of the six countries is at least 25 million. There may be many more, but no census has been taken. The people are mainly nomads reliant on their herds for survival; there are also settled farmers and fishermen in areas near water.

United Nations officials estimate that at least 6 million people are in danger of starvation this year.

The six countries are among the poorest in the world, with per capita incomes of under \$100 a year.

#### Environment

Normal rainfall in the area is between 4 and 12 inches a year; in the last five years there has been very much less. Crops have failed, or been greatly reduced over several years, leaving no reserves of grain at all in the area. Nearly all the cattle, sheep, goats and even camels have died, leaving many of the people destitute, and with no means of survival for the future. Rivers and lakes have dried up or are at very low levels, and the water table has dropped about 25 feet, leaving many of the communities with dry wells and no access to water.

In addition to the drought, the process of desertification (the desert is advancing southwards at 30 miles a year in some parts) is exacerbated by uneven attempts at "development" projects by uncoordinated aid programs by bilateral as well as multilateral channels. For example, the provision of wells may cause overgrazing; so may programs of disease control for cattle. The need for a comprehensive, tightly coordinated and long-term program of rehabilitation of the whole area is becoming widely, if belatedly recognized.

#### Social effects of the disaster

Many nomad communities are remaining in the desert, and it is not known how many people there are, how many are dying, and where they can be located. In many cases the only means of supplying food is by airlift by small aircraft to the poor landing strips in remote areas, or by airdrop with special equipment. Observers have stated that only the United States has the resources for such an operation. Many have already died, either from starvation or from endemic diseases such as cholera in Senegal, measles in Mali and Niger, and meningitis in Chad.

The vast numbers of people moving south to escape the desert are causing the largest social dislocation the area has known this century. Towns and cities have swelled to three or four times their former size; pastoralists moving into farming areas are resulting in violent clashes as their animals compete for any available pasture; and millions of camps are being swamped, and the administrative and other services are stretched beyond their capacity.

#### Short-term relief

In the six countries most affected, there have been efforts by the tiny minority of salary-earners to raise funds for relief; in Niger \$2 million was raised in this way, in addition to assistance through the extended family social network.

Neighboring African countries, especially those with seaports, have made special arrangements to transport relief supplies to the landlocked countries as a matter of priority over their own imports. Many African and Arab countries have contributed money, aircraft and additional transportation (e.g. Algeria sent a convoy of trucks across the Sahara with relief supplies; the Ghana Air Force supplied an aircraft, Saudi Arabia made a contribution). The Organization of African Unity and the United Nations have suspended the dues from the six countries, and the O.A.U. has made the drought a priority issue.

Nigeria has suffered badly from the drought in its northern, grain-producing provinces, but has met the crisis entirely from its own resources; in addition, it is supporting many refugees from the other countries, and has made special arrangements for them. All the countries due south of the Sahel are supporting refugees from their own resources, or with the help of the United Nations High Commissioner for Refugees.

The UN Food and Agriculture Organization (FAO) is responsible for coordinating relief measures, and has organized a Sahelian zone Trust Fund. There have been severe problems with the inadequate transportation network and unwillingness of the US and other donor governments to act without precise definition of needs. However, the relief efforts made in the last few months have prevented the disaster from becoming a holocaust, and kept many people alive who would otherwise have died. The major problem now is the fact that the annual rains have started, making the dirt roads impassable; the camels and donkeys normally used for transportation have died; this makes the need for short-haul airlifts and airdrops all the more urgent.

France, the European Economic Community's Development Fund, Canada, the Soviet Union and many other developed countries have contributed to the relief efforts. The United States has committed \$22 million so far, from AID's Contingency Fund. \$2 million of this has been a financial contribution to the FAO's Trust Fund, and the rest has been spent on the airlift by three USAF C-130's (\$4 million so far) and purchase and

shipping of grain, mainly sorghum and millet, as well as dried milk. The U.S. so far contributed nearly 40% of the total 410,000 tons of grain supplied in the last six months. Following pressure from Black groups and churches in the U.S. and forecasts of a record U.S. harvest, approval has been given for another 100,000 tons of grain for the Sahel. With the immediate problem of getting grain distributed during the rainy season, however, and the continuing problem of sharply reduced harvest locally due to the lack of seed grain, there is no room for complacency. Many millions of people continue to be threatened with death from starvation and resultant disease. Malnutrition causes permanent damage, especially to children.

One constant problem, which is a feature of all disaster situations whether abroad or in the U.S., is the high cost to the relief budget of emergency airlifts and military assistance of various kinds. It is the practice of the Defense Department to charge the agency involved in relief efforts for the cost of maintaining and operating Air Force planes, including the salaries and expenses of Air Force personnel. This problem may need special legislation, to make disaster relief one of the responsibilities of the U.S. Military, as it is in some other countries.

#### Long-term reconstruction

The economies of the six countries have been almost entirely destroyed, and are now at the point where they are without the resources to support themselves. Such exports as they had have been virtually wiped out—for example, peanuts from Senegal, and animal products from the other countries. Cash revenue from tax payments on cattle has disappeared. The struggle for greater financial and economic independence from France, the former colonial power, has been set back indefinitely.

Reconstruction of the areas will depend on careful management of the environment, including conservation and use of water resources, resettlement projects, massive public works and to provide employment and subsistence, as well as stop the encroachment of the desert, tree-planting, pasture management, and careful planning of herd improvement and enlargement. Since the Governments involved are without even the meager income from domestic taxes, the reconstruction can be effected only by a major international program, with much closer coordination of donors and multilateral agencies than has often been the case. A plan along the lines of the Indus Basin or Mekong Delta projects will be required, and a major and sustained contribution from the United States will be an essential element.

The six governments most concerned have formed a Committee to coordinate planning for the region, pointing out that the drought disaster has been aggravated already by competition and duplication among donors more interested in their own prestige than the welfare of the people involved. A summit meeting of this Committee is to be held on Ouagadougou, Upper Volta, in July. It is important that the United States give priority to the decisions of this body, and supply technical and other assistance to it as needed. The United Nations itself is to take over responsibility for coordinating the multilateral agencies in the long-term reconstruction program.

#### African Sahel development program

The Sahel region, and other countries to the South which are threatened by the encroachment of the Sahara Desert, can be restored to self-reliance only by a major international program of reconstruction, on a scale approaching that of the other regional development schemes in which the United



States has participated, beginning with the massive program of Marshall Aid for Europe, and including the huge Indus Basin and Mekong Delta schemes. A substantial U.S. contribution would boost the involvement of other countries and multilateral agencies in the reconstruction program, and by setting an example of close cooperation with a local regional planning authority, such a program could help to improve the efficiency of the international development agencies.

President Nixon has already made a commitment to U.S. participation in a long-range recovery program. In a letter to the United Nations Secretary-General of June 20, he stated:

"This effort will require close collaboration among African leaders and the donor community. As specific rehabilitation needs are more clearly identified, and as it becomes clearer what others are ready to do, the United States will be prepared to provide additional assistance for the Sahel to help overcome the profound effects of this tragedy."

In line with that commitment, the Foreign Affairs Committee has voted unanimously to insert a new Section 639A and 639B in the Foreign Assistance Act, which would read:

Sec. 639A. "Famine and Disaster Relief to the African Sahel.—(a) The Congress affirms the response of the United States Government in providing famine and disaster relief and related assistance in connection with the drought in the Sahelian nations of Africa. (b) Notwithstanding any prohibitions or restrictions contained in this or any other Act, there is authorized to be appropriated to the Presid. in addition to funds otherwise available for such purposes, \$30,000,000 to remain available until expended, for use by the President, under such terms and conditions as he may determine, for emergency and recovery needs, including drought, famine, disaster, relief, and rehabilitation and related assist-

ance, for the drought-stricken Sahelian nations of Africa."

Sec. 639B. "African Sahel Development Program.—The Congress supports the initiative of the United States Government in undertaking consultations and planning with the countries concerned, with other nations providing assistance, with the United Nations, and with other concerned international and regional organizations, towards the development and support of a comprehensive, long-term African Sahel Development Program."

Other regional development programs have involved the following U.S. commitments:

(In millions of dollars)

Project	Total cost	U.S. contributions	Other U.S. aid in region since 1946
Mekong Delta.....	410	237	7,606
Indus Basin.....	15,000	651	8,900
Marshall Plan.....	13,400	15,400	28,400

#### The importance to the United States of the Sahel region

Deposits of iron ore, copper and possibly oil are of immediate interest to the United States, together with the potential for supplies of protein (in the form of peanuts, grown in Senegal, and beef from all the countries) of which there is emerging a world shortage. In addition to the area immediately threatened, the other countries threatened with the advance of the arid zone, comprising an area with perhaps 60 million people, contain important sources of oil as well as other minerals and agricultural products required by the US and other Western countries.

#### Oil

US companies exploring for oil in the six countries of the Sahel include: Continental Oil (in Chad and Niger), Texaco, Texas Gulf Sulphur (in Senegal, Exxon, Oceanic, American Oil Co., Oceanic and Seneca (in Mauritania).

#### Minerals and other US investment

Mauritania has very large deposits of iron ore and copper, and some potash, within reasonable distance from a small but efficient seaport. There is some US investment in the iron ore mines, and 72,000 tons of and the possibility of other mineral de-iron ore are imported annually into the US. Total imports from Mauritania are worth \$40 million. There is some titanium in Mali, posits in the region, according to NASA's ERTS satellite surveys. In Senegal, ESSO is participating in an oil refinery, and there is US investment in the airport facilities at Dakar. Senegal also produces peanuts, an important source of protein: most of the exports go to the European Economic Community.

#### CHARACTERISTICS OF THE 6 COUNTRIES \*

Population (mid-1970 millions)	Average annual population growth 1950-70 (percent)	GNP per capita at market prices 1970 U.S. dollars	Average annual growth rate per capita 1960-70
Upper Volta: 5.4.....	2.1	60	-0.6
Mali: 5.0.....	2.1	70	4.4
Senegal: 3.9.....	2.1	250	0
Chad: 3.6.....	1.8	80	.4
Niger: 4.0.....	2.9	90	2.0
Mauritania: 1.2.....	1.9	140	4.5

\* All statistics are rough estimates only.

#### THE MEKONG DELTA PROJECT

Countries	Size of area (square miles)	Population (millions)	Donors	Amount involved	Comparative aid picture, <sup>1</sup> total 1946-72 U.S. aid
Cambodia (Khmer Republic). Laos..... Thailand..... South Vietnam.....	70,000 91,000 198,000 173,000	7.3 3.1 38.0 19.0	Australia, Austria, Belgium, Canada, Denmark, Finland, France, Egypt, Federal Republic of Germany, Hong Kong, India, Indonesia, Iran, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Pakistan, Philippines, Sweden, Switzerland, and United Kingdom; and the 4 riparians: Thailand, Laos, Cambodia, and Vietnam; plus 12 international organizations and others; United States.	Total: \$211,000,000 with U.S. assistance: \$37,000,000 plus \$200,000,000 U.S. participation in Asian Development Bank.	Cambodia: Loans \$19,900,000; grant \$368,500,000. Laos: Loans —; grants \$792,600,000. Thailand: Loans \$80,100,000; grants \$530,800,000. South Vietnam: Loans \$151,600,000; grants \$5,659,700,000 (this figure excludes aid to Indochina prior to partition).

<sup>1</sup> Figures are the same for total development assistance and total economic programs.

Note: Total U.S. economic assistance: Loans: \$254,600,000; grants: \$7,351,600,000 (or \$7,300,000,000). Total economic programs: U.S. assistance: \$7,606,200,000 (or \$7,600,000,000).

#### INDUS BASIN DEVELOPMENT

Countries	Size of area (square miles)	Population (millions)	Donors to Indus basin project <sup>1</sup>	Amount involved (total including United States)	Comparative aid picture (United States) 1946-72
India.....	1,200,000	550.4	Australia, Canada, New Zealand, Germany, United Kingdom, United States, World Bank plus India and Pakistan.	1,500,000,000 in foreign exchange and rupees. U.S. assistance: \$295,000,000 in grants.....	Total U.S. development assistance: 8,700,000,000 loan: 6,700,000,000; grants: 2,000,000,000. Total U.S. economic program: \$ 9,200,000,000 loan: 7,200,000,000; grants: 2,000,000,000.
Pakistan.....	310,403	130.2	Chaired by World Bank....	\$121,200,000 in loans..... \$235,000,000 equivalent in Public Law 480. Guaranteed Pakistan rupees. Total, \$652,700,000 U.S. assistance.....	Total U.S. development assistance: 4,000,000,000. Loan: 2,300,000,000; grants: 1,700,000,000. Total U.S. economic program: \$ 4,100,000,000. Loan: 2,400,000,000; grants: 1,700,000,000. Total, U.S. economic programs: 13,300,000,000.

<sup>1</sup> The contributors make payments to the fund according to a fixed apportionment upon semi-annual call from the World Bank and on the basis of the expected rate of construction and expansion.

\* The difference between total Development Assistance and total economic program of \$500,000,000 is equal to amount of "Other Loans".

\* The difference between total development assistance and total economic program of \$100,000,000 is equal to amount of "Other Loans".

U.S. AID TO MARSHALL PLAN COUNTRIES, 1949-52  
[U.S. fiscal years in millions of dollars]

Marshall plan countries	Total official economic assistance		Total economic programs	
	Amount	Total	Amount	Total
Austria:				
Loans		679.8		679.8
Grants	679.8		679.8	
Belgium-Luxembourg:				
Loans	68.7	560.0	75.5	566.8
Grants	491.3		491.3	
Germany (Federal Republic):				
Loans	617.9	2,491.8	6,799	2,491.8
Grants	1,873.9		1,873.9	
Denmark:				
Loans	33.3	273.0	33.3	273.0
Grants	239.7		239.7	
France:				
Loans	225.6	2,714.6	225.6	2,714.6
Grants	2,489.0		2,489.0	
Greece:				
Loans		733.4		733.4
Grants	733.4		733.4	
Iceland:				
Loans	5.4	29.4	5.4	29.4
Grants	24.0		24.0	
Ireland:				
Loans	128.2	147.5	128.2	147.5
Grants	19.3		19.3	
Italy:				
Loans	95.6	1,516.9	99.1	1,520.4
Grants	1,421.3		1,421.3	
Netherlands:				
Loans	149.5	982.1	149.5	982.1
Grants	832.6		832.6	
Norway:				
Loans	39.2	255.3	39.2	255.3
Grants	216.1		216.1	
Portugal:				
Loans	36.1	51.2	36.1	51.2
Grants	15.1		15.1	
Sweden:				
Loans		0.5		0.5
Grants	0.5		0.5	
Turkey:				
Loans	85.0	225.1	85.0	225.1
Grants	140.1		140.1	
United Kingdom:				
Loans	384.8	3,190.0	384.8	3,290.0
Grants	2,805.2		2,805.2	
Trieste:				
Loans		31.8		31.8
Grants	31.8		31.8	

<sup>1</sup> Difference of 6,800,000 equal to amount of "total other official loans."

<sup>2</sup> Difference of 3,500,000 equal to amount of "total other official loans."

U.S. ASSISTANCE TO EUROPE<sup>1</sup>

Program	Postwar relief period	Marshall plan period	Mutual Security Act period	Total loans and grants 1946-72
Economic program:				
Loans	7,055.5	1,826.6	509.5	11,395.7
Grants	3,092.2	11,601.0	2,175.9	17,016.1
Total	10,147.7	13,427.6	2,685.4	28,411.7

<sup>1</sup> Data from p. 141 of "U.S. Overseas Loan and Grants: Obligations and Loan Authorizations," (May 1973).

SAHELIAN COUNTRIES AFFECTED BY THE DROUGHT

Countries	Size of area (square miles)	Population (millions)	U.S. aid 1946-72 total development assistance programs (millions)	Total economic programs (millions)
Chad	496,000	3.8		10.2
Grants				10.2
Mauritania	419,000	1.2		6.3
Loans				1.4
Grants				4.9
Mali	464,000	5.1		28.7
Loans				3.6
Grants				25.1
Niger	489,000	4.1		20.5
Loans				3.1
Grants				17.4
Senegal	76,000	4.0		142.8
Loans				1.6
Grants				36.3

Upper Volta	106,000	5.5	21.9
Loans			
Grants			21.9
Total	1,461,000	* 24	130.4
Loans			9.7
Grants			115.8

<sup>1</sup> Including \$4,900,000 Export-Import Bank loans.

\* Approximately.

Mr. KASTENMEIER. Mr. Chairman, as sponsor of the Vietnam Children's Care Agency legislation. I want to compliment the members of the House Foreign Affairs Committee for including section 824, Assistance to South Vietnamese Children in the Mutual Development and Cooperation Act of 1973.

It is estimated that there are about 700,000 children in South Vietnam who are orphaned or abandoned as a result of the war. These children have suffered terribly during the course of the conflict, and many of these young people have been victims of our operations in South Vietnam. The problem of caring for these youngsters is immense, far beyond the capabilities of the South Vietnamese Government. To ignore their plight or to abandon these young victims of the war would be cruel and inhumane. It is both necessary and appropriate that our Government begin to assume the moral obligation to help care for these children.

Section 824 of the Mutual Development and Cooperation Act of 1973 authorizes \$5 million, most of which will be allocated for the establishment, improvement and expansion of South Vietnamese day care centers, orphanages, hostels, school feeding programs and related programs in health and welfare for South Vietnamese children. A second purpose of section 824 is directed toward those South Vietnamese children who have no family or guardians, and are, therefore, eligible for adoption, and for whom an acceptable home can be found in the United States. While emphasis will be focused on facilitating the adoption of the thousands of orphaned or abandoned children of American fathers, this provision is extended to all Vietnamese children who are orphaned or abandoned.

Mr. Chairman, section 824 represents the beginning of the commitment that the United States must make in acknowledging the problem of the South Vietnamese children, and in assuming our responsibility to help these innocent youngsters.

Mr. Chairman, on June 19, 1973, NBC Reports presented a moving documentary, "The Sins of the Fathers," which described the plight of the Vietnamese children, and I am including the transcript of that program for the benefit of my colleagues:

"THE SINS OF THE FATHERS"

NORTHSHIELD. This place, Viet Nam, is like most of the world. It is more involved in surviving than in living, more committed to mere existence than to enjoyment. Like most of the people of the world, those who live here have black hair, black eyes and terrible hungers. But Viet Nam is special too. It's a scar on the conscience of all men. It's a junk pile where old weapons rust and new little people rot. Among all the debris the very worst thing to be is one of these.

(Over back toddler).

NORTHSHIELD. She is a citizen of Viet Nam because she was born here, in the place her mother lives. Her father has gone home . . . to the United States.

She is healthy and altogether normal. She is in very big trouble. (Over meat market).

NORTHSHIELD. The mothers and potential mothers have been here for centuries. From time to time, armies of fathers and potential fathers have invaded or visited. Those here most recently were Americans.

They were friendly to the friendly natives. The friends could get together at this gate to the world's largest Army base, a place called Long Binh. It had an American name, too.

It was called The Meat Market. (Over Long Binh).

NORTHSHIELD. Now the Americans are gone. They have left the world's largest Army base and tons of debris. There are no friends here now, just relics and remembrances of past triumphs, of mistakes and expenditures.

(Over wreckage).

NORTHSHIELD. There were billions of dollars worth of goods, hundreds of thousands of people sent here. What is left behind is wrecked and used and dead.

(Baby in crib).

NORTHSHIELD. Except for this—also left behind—but doomed to live.

(Over freeze of birth).

NORTHSHIELD. All babies are born naked, soiled, protesting, shocked.

(Action begins).

NORTHSHIELD. Most of them get over it. (Before dissolve to Quang Tri).

NORTHSHIELD. But to be born in Viet Nam is to begin where the apocalypse has just ended. This is what remains of Quang Tri city, the way it was when we filmed there in February 1973.

This is the place where the four horsemen rode.

They were called Plague, War, Famine and Death.

(Over cemetery).

NORTHSHIELD. To live in the presence of death is common and even necessary here. This place, in the heart of Saigon, is a cemetery. But refugees began living among the tombstones 20 years ago. Now the grave markers are houseposts and lamposts and playground toys.

Few in Viet Nam can remember a time when there was no war.

(Just before incubator).

NORTHSHIELD. It is not a promising place to begin living.

(On incubator).

NORTHSHIELD. For those who survive the apocalypse, who get to breathe of the cleansed air . . . more trouble may lay ahead.

It has been written that "the sins of the fathers shall be laid upon the sons."

It matters very much who the fathers are. It is important to know that the Vietnamese are racists.

They have always been.

NORTHSHIELD. All these people are refugees from the war in Viet Nam but they are segregated by an old Vietnamese concept. Over in the solid buildings are Vietnamese refugees. On this side of the road are people of a different color. They live in hot filthy tents far from home. They are a very subjugated minority.

(On Montagnards).

NORTHSHIELD. These people are called Montagnards. That's a French word that supposedly pertains to people from the mountains. But it doesn't. As part of the language of the Vietnamese majority, it is applied to any of the 33 aboriginal tribes, those who look different and live differently.

A Montagnard is as Vietnamese as a Navaho is American.

In Vietnamese—Montagnard is a very dirty word. About like "nigger."



(Montagnard Camp, just before dissolve to mixed children).

**NORTHSHIELD.** So Viet Nam had a special feeling for different-looking people before they ever were born. And if your mother is Vietnamese and your father American . . . any color American . . . you are aware of that feeling. It is almost certain that you have no father around. It is likely that you will be segregated from the rest of the community, possibly in an orphanage.

(In orphanage).

**NORTHSHIELD.** In the whole population of Viet Nam, there aren't very many of them.

**GARDNER MUNRO.** U.S. aid mission. The Minister of Social Welfare has reached a determined figure of ten to fifteen thousand racially-mixed children, most of them living in the extended community or with their families with a few hundred living in orphanages. We certainly support this figure.

**NORTHSHIELD.** And when you speak of ten to fifteen thousand racially-mixed, are most of those by American fathers?

**MUNRO.** Well, there's no way of knowing, of course, how many are by American fathers or fathered by any other foreign nationals, but we would assume that the large increase in the number over the last six or seven years has been as a result of American troops being here. But I have to make the point that there have been many other troops here also, and many civilians.

**PHAN NGOC QUOI.** Ministry of Social Welfare. Up to this time we consider the mixed blood children in Viet Nam Vietnamese children. I do realize their needs might be different sometimes but as a whole, the majority of the Vietnamese people think they belong to this country.

**NORTHSHIELD.** What problems will a mixed blood child, particularly a half-black child, face in later years?

**PHAN NGOC QUOI.** Well, if their families are needy families, if their mothers and relatives cannot take care of them—by taking care of them I mean providing a good education for them—loving them and so on—they might have problems, as in the neighborhood, in school, because they don't have the necessary help they need at home.

**MICHELLE WENTZELL.** volunteer social worker. The mothers who have these children are discriminated against. They cannot get jobs in the normal Vietnamese society. Now when there were large concentration of foreigners here, especially American troops, they were employing thousands of these women.

You didn't ask a woman when you employed her if she had any mixed kids. You employed her. Vietnamese will not hire a woman who has mixed children to work for them in any capacity except the very, the most menial imaginable: part-time fill-in for their maid when she goes on vacation—that sort of thing. If the mother has not stashed away some money, she's in trouble. She can't even feed the child, let alone give it the extras that she would like to.

**QUOI.** If the families love them enough I think they have a chance to grow up in this country like other children. Probably sometimes people might see that they are different.

(Over black child walking.) They might have difficulties like other people who have some kind of a handicap of those who are underprivileged.

**WENTZELL.** Now picture a child, all right going to school. A little boy, a little girl, and everybody saying to him "you're an American child, you're an American child you're this or that," and, from the time he can understand his language, he's being told that he isn't what his mother is and what his friends are and there's something wrong with him and he doesn't know why.

**NORTHSHIELD.** What's wrong with him is that he's just a small statistic.

**MUNRO.** The position that the United States government has taken, and particu-

larly my office, is that the best way to help the racially-mixed child is to strengthen the services across the board in Viet Nam for all children because after all, the Vietnamese government sees these children as Vietnamese children and there are many other children besides racially-mixed kids that have special needs.

(Over babies in cribs.) So we have focused more on what it is we can do to help children in Viet Nam, and within this, the racially-mixed children may be one group of kids with special problems.

**NORTHSHIELD.** Viet Nam has many problems. Those of the racially-mixed children are far down the list of priorities. That's understandable. Unless you are one of them.

**NORTHSHIELD.** A zoo that's well-stocked offers a spectator a wide array of representative species. This is the Go Vap orphanage in Saigon. It's a zoo. A visitor can see starving children, maimed and crippled children, dying children, far too many children.

(Go Vap portraits).

**NORTHSHIELD.** They got here the hard way. Most of their fathers were killed in the war that has destroyed nearly a generation of Viet Nam's young men. Many of their mothers were killed, too. But an appalling number of them got here by being lost from their mothers, abandoned by them. It was the easiest way for the mothers to handle the shame of their motherhood. There are 700,000 orphans or half-orphans in the Republic of Viet Nam. If the United States had the same percentage of its population in that condition, there would be 10 million American children without parents, without homes, without hope. Go Vap is the largest orphanage of more than 130 here. It's neither the best nor the worst. There are about 12 hundred little people here and only 12 nuns to take care of them. Taking care has come to mean keeping alive.

Success is limited.

If they survive, most of these people will remain penned here until they are adults.

They are symbols of the apocalypse, especially of an awful famine. They are starving for love.

(Eating.)

**NORTHSHIELD.** Much of the stuff of life comes from the United States aid program, through the Ministry of Social Welfare of the government of Viet Nam. It amounts to five cents worth a day for each child.

(Dying area.)

**NORTHSHIELD.** Every day, new babies are born and abandoned to places like this. Many of them die here . . . 70 per cent of those who come here, usually in the first few weeks, sometimes more slowly. Most of them die of malnutrition. They are undernourished in every way.

The opposite of love is not hate; it's indifference, is a cause of death.

**QUOI.** I understand and I realize that our abandoned and orphaned children don't have a family or a home of their own. That is why voluntary agencies as well as the government try to do our best to provide them a home. It can be an orphanage but we try to help them.

**WENTZELL.** An orphanage in Viet Nam is not physically equipped to handle all of the orphans that exist here. It isn't financially equipped, it isn't equipped with sufficient personnel and it isn't equipped with the emotional stability that the average family has, not even an exceptional family. The average family can give a child so much more than the most fantastic institution.

(Slums.)

**NORTHSHIELD.** Maybe. The average family here is not only hungry but large. There are about 15 million people in the country and half of them have been refugees at one time or another. One of seven still is. That's nearly a million.

**NORTHSHIELD.** The city is where most Vietnamese people huddle now, trying to hide

from a war that hasn't ended, trying to find work and food and some spirit of survival.

**QUOI.** Our country has borne the greatest responsibility and damage and we have allies who come here and help us. If we consider the orphans and the abandoned children are victims of the war and if we say this war is not our war alone, I feel our allies would have some responsibility to help us in helping these children.

(Doctor Wertz).

**NORTHSHIELD.** They use to help a lot. Doctor Wertz used to come to an orphanage on his time off from patching up helicopter pilots. Now he's home and so are most of his patients. But the little ones he helped are still in DaNang, still needing him and not getting him.

(GI's).

**NORTHSHIELD.** A couple of million Americans came here on a military mission. 46 thousand of them were killed here. It changed American history, and spread tragedy through American society. It changed this society, too.

There were other things these giants brought along with their guns and tanks and bombs.

Now all the Americans are gone. They took with them much of the compassion and caring these children ever knew.

They took with them a show of charity and wealth the children never will know again.

They cared but they had to leave.

There is a generosity gap that cannot be filled.

**QUOI.** We would be grateful to any help given to us to help these children. But I do not want them to be singled out because we never know who is their father and we don't want to feel that they are different or they are better or they are worse than other children.

(Blind).

**NORTHSHIELD.** To be blind, black and orphaned in this place is to be very special. A disproportionate number of the children here are half-black. That's because they are the ones most apt to be abandoned, to be left in orphanages. The Vietnamese feel that it's not as bad to be half-white so children of white fathers often are kept by their mothers. There aren't more black children, just more of them in orphanages.

That's where they wait, grateful for tiny favors, hopeful and doomed.

(Hudson at Sacred Heart).

**NORTHSHIELD.** Captain Hudson used to be a helicopter pilot based at DaNang. At Sacred Heart Orphanage he met a little girl and chose her to be his daughter. From among the many, he selected this one and she is part of an American family. Captain Hudson is home in the state of Washington now and so is she.

(Over orphanage scenes).

**NORTHSHIELD.** When you sit in an American living room and watch a television program, it is likely that you feel that adoption of these abandoned children is the clear solution to a simple problem.

It seems apparent that almost any American home is better than an orphanage or an alley or a jungle. But while the problem is simple, the solution is not. Antiquated, complicated laws govern adoptions in Viet Nam. The American laws are not much more helpful. The orphanages are generally reluctant to put themselves out of business by giving up their children. And many of the orphanages are operated by religious groups that insist on very sectarian placements.

Vigorous attempts within the Congress of the United States to make adoptions more simple and American responsibility more obvious haven't worked. In large numbers, the children wait and grow. In much smaller numbers, people work to make adoption the answer.

**WENTZELL.** I don't think the orphanage

should be the last stop, I think it should go beyond that. I think it should go to a family. I think every child has a right to a family and there are families, there are families in the United States and Europe who want these children and I think that's where they should be going.

(Over N.Y. adoption).

**NORTHSHIELD.** A few get out. Now there are international organizations beginning their work with the government of South Viet Nam to make successful adoptions more likely. But the laws and ideas are old and cumbersome. For each baby brought happily to a waiting American family, there are dozens unhappily growing up in orphanages far away.

(Over black baby Cu).

**NORTHSHIELD.** And there is another question: where does each child belong?

**QUOI.** Adoption is a very good solution for abandoned and homeless children, but overseas adoption is a very difficult process. I think a few of our children need overseas adoption and among these I think many of the mixed blood children might benefit from overseas adoption but I don't think that if a child is mixed he necessarily needs overseas adoption.

I feel people who want to adopt children should be people who feel that they are able to provide a loving home, a good home for the child. At the present time many people feel compelled to adopt Vietnamese children because they feel that they have some responsibility for that. So you might consider, call it a guilty complex, and I feel that in adopting children these things should be ruled out.

(On trucking shot of cribs).

**NORTHSHIELD.** Miss Quoi must question motivations because she has a single-minded motivation herself. She must be concerned with nothing but the welfare of each child. (On walk).

**NORTHSHIELD.** Most of the adoptions come from orphanages but sometimes Miss Wentzell must search further.

(Over walking shot).

**WENTZELL.** I've found that there are many different types of orphanages and many different types of mothers, of children with problems in this country. There are many different situations, and each one has to be looked at for what it is.

**WENTZELL.** It's too big a problem for the country to handle alone. It's our responsibility, too, and we want to help them. I want to help them, there are a lot of people who want to help them. The people who are trying to adopt want to help them. They want to take a life and bring it into their home and make something beautiful out of a child's life that would have been very sad here despite the most desperate efforts of orphanages and mothers and even the government. They just can't handle the problem. One has to help them.

(On weeping woman).

**NORTHSHIELD.** This woman has had four children by American fathers. One has been adopted. She is pregnant with a fifth.

(French children).

**NORTHSHIELD.** France used to own this place. In its last years here, the French Army fathered a great many children, lost a war and got out.

Those remaining children, under French law, were afforded French citizenship and a free education in France, if their mothers chose to send them.

There is no precedent for this in the American experience. Indo-China never was a colony of the United States, the Vietnamese never were connected to America through citizenship or occupation.

The mothers of these children of French fathers still send their children off to France to school and a different life. They gather at Tan Son Nhut airport to say "adieu."

Literally.

Of nearly 7 thousand children sent to Europe, only 10 ever have returned to Viet Nam. (Pullback to Victor).

**NORTHSHIELD.** The United States, through aid programs, with much food and money and effort, supports all the social welfare programs of the Republic of Viet Nam. The Pearl Buck Foundation specifically helps the racially-mixed children. And so does a tiny, new organization called the Vietnamese-American Children's Fund. It aids in adoptions and orphan care from an apartment in Saigon.

**VICTOR SRINIVASAN,** Vietnamese-American Children's Fund. I have more or less about sixteen kids under my personal care at the moment. Three of them are totally abandoned. The parentage could not be established, but I think one of my little girls is half-Cambodian and another girl is fathered by a black American and the boy also, I believe, a boy, the features I'm talking about, was fathered by a black American. These three children are staying with me right under my, under our roof, and we are taking care of them, me and my wife. Apart from them, I have a few more children who stay with the mothers, but I help these children go to school, to a boarding school, and I pay the school fees. They stay in the school where they have their education, food and everything, and on weekends, every Saturday, the mothers go to the school, take the child to her home and bring the child back to the school on Sunday evening.

(Mother and children in market).

**NORTHSHIELD.** However many half-American children there are in Viet Nam, most are with their mothers. Each lives the same fatherless difficult life as any other half-orphan. But they are young and so is the incipient feeling here of anti-Americanism. Both the children and the feeling of hostility can be expected to mature.

Misfortune takes many forms, more here than in most places. This woman, for instance, was married to an American soldier. Their three children have U.S. passports. But they can't use them because they don't know where to go to join their father. He left a year and a half ago and sent money to his family here for nine months. For the last nine months, he has sent none. He's a black man in America and no doubt has problems of his own.

**SRINIVASAN.** I do definitely recognize a special problem with these mixed-blood children because of their parentage. When they grow, they're definitely going to encounter some kind of embarrassing situations in the society, especially the black ones. I'm quite sure they'll be the odd-balls in the society and the white ones . . . they're liked by most of the Vietnamese people.

But even then, sometimes or other a crude remark can be passed about how the child was born, you know, somebody can call them a bastard or something like that.

**ROBERT G. TROTT,** Regional Director, Care. In terms of the black child in particular, I think that patrimony might be one way of assisting these children. In other words, these children have been fostered by American soldiers so therefore they should be given the opportunity at some point in life to opt for an American citizenship. Now this would give them the opportunity to either stay in Viet Nam or at some point in their life opt to leave for the United States where there's a possibility the conditions would be much better for their acceptance in the society. Because I believe in Viet Nam this: it's going to be a very, very difficult thing for them to become fully integrated in the society.

**SRINIVASAN.** I was separated from my father when I was about two years old, I believe, I didn't know that, and I lost my mother when I was ten years old. That means I became a totally abandoned child when I was ten years old. And I know what I missed, and I

know what these children are missing: the love, the care and the personal attention. So it's a sort of personal thing for me that I want to give to these children what I missed when I was young.

**TROTT.** I know myself in terms of my life, you find yourself ostracized. You find yourselves being referred to so, say, as "nigger." But here it probably would be a much stronger term. Your mother would be called a prostitute, and you'd be referred to in various derogatory terms and these are the sorts of things that really get home to you.

(Over orphanage scenes).

**TROTT.** One must always think in terms of "where do I fit, where do you belong and how do I fit into any particular setting or situation?" So the individual must be able to, in his own terms, evaluate his own situation and be able to figure out how he fits in what particular setting and, but the conditions are such that we're not always able to be free.

**NORTHSHIELD.** Freedom's just another word for nothin' left to lose, according to a song still popular. Freedom also has been defined as the possession of choices. There are very few choices if you're the wrong color in a place where color matters.

It's critically important for everyone to determine where he belongs.

It's somewhat more simple to know where he doesn't belong.

It's even more difficult to know where you belong if you're not sure what you are: half-black, half-brown; or half-brown, half-white: if you've brutally been told and shown how different you are.

To know where you don't belong is difficult. To know where you do belong is essential. Not to know is not to live.

(China beach family).

**NORTHSHIELD.** One day, a year ago, the man went home. The woman thought he had promised to arrange for her to follow and become his wife. She still waits near the empty Marine Corps base where she worked and lived. She waits and the three children wait and the community shuns them.

It's beautiful here. And lonely.

For the children, there are few friends.

But they do have a mother.

And love.

(In Hamlets).

**NORTHSHIELD.** This is another fortunate child. She has a mother. Her father is an unknown soldier, somewhere else. Her mother used to have eight children and a husband. The husband has been dead for seven years and so are three sons who were killed in the war. This daughter was born after the woman worked at a U.S. Army Base. This one is lucky, too. She has a mother and a grandfather. Her father probably doesn't know she exists. Surely she doesn't know that he ever did. These people are in hamlets in the scarred countryside of South Viet Nam. In years past, many of the young girls went to the cities, where the Americans were, where the jobs were. They worked as maids or bar-girls or prostitutes. Now they are back. Most of them with babies have kept them and kept hope and trust.

(Birth).

**NORTHSHIELD.** From now on, almost every new person born in Viet Nam can enter his country, sure of his race. He, like each of us, will begin naked, soiled, protesting and shocked. But he will not be racially-mixed in a place where that's important.

(Orphanages).

**NORTHSHIELD.** Soon there will be no more half-American children born here. But there still will be at least 25,000 of them resting unwanted, waiting.

The governments of the United States and of the Republic of Viet Nam agree that there are fewer than 25,000. Responsible social workers know there are more. Whatever the number, each small person is unique and each is in trouble.



The two governments also agree that the racially-mixed children must not be separated, must not be helped in special ways that accentuate their differences.

The two governments agree that something must be done about speeding up the adoption process. They agree but there has been no acceleration.

The war is over—for everybody else. (Singer).

**NORTHSHIELD.** The most popular songwriter in South Viet Nam writes only about war. He's against it. So the government and the Viet Cong—equally—consider him dangerous. Only the people love him.

This is what Trinh Cong Son has written:

I pass to you a mother's gift  
A sad Viet Nam, a mother's gift  
A thousand years of Chinese reign  
A hundred years of French domain  
Full twenty years of civil war,  
A mother's gift: a heap of bones  
A mother's gift: a hill of tombs  
Full 20 years of civil war,  
A mother's gift is barren land  
A mother's gift is burning hands  
A mother's gift is half-breed men.  
A mother's gift is two-faced men.

(Over black child freeze frame).

**NORTHSHIELD.** An Ernest Hemingway short story begins with this sentence:

"In the fall, the war was always there but we did not go to it any more."

The title of the story is "In Another Country."

**Mr. BIESTER.** Mr. Chairman, I rise in support of H.R. 9360, the Mutual Development and Cooperation Act of 1973.

As a member of the Foreign Affairs Committee, it is a privilege to be associated with legislation which brings such a significant new perspective to a vital concern of the American people.

The successes of our foreign assistance programs in the past have sometimes been uneven. Large outlays of money and effort have not always produced large-scale visible accomplishments, and it has too often been made evident that successes are more difficult to measure than are failures. The magnitude of the challenges facing developing nations are so immense that their resources—financial and otherwise—which we commit to these efforts do not always materialize in the kinds of rapid and decisive results we expect.

In the legislation before us we find an emphasis on helping to resolve those specific problems which most directly affect a majority of people in developing nations. Emphasis in our assistance programs will be redirected away from large-scale transfers of capital to meeting the most basic "people" problems involving food and nutrition, health, population growth, and rural and educational resource development.

Although a basic intent of our foreign aid program over the years has been to advance the well-being of the poor in these nations, the financial resources we have committed have not always reached down to where they are needed most. This has been a major criticism of our aid program, and this objection has not been without justification. The restructuring of our aid programs to focus on specific problem areas, as envisioned in this legislation, would seek the more direct involvement and participation of those most immediately concerned. In other words, money and technical assist-

ance will be channeled to where the actual problems are and will be done in cooperation with the people faced with those problems. To accomplish this, more use will be made of private and volunteer agencies beyond the traditional reliance on governmental structures.

Assistance programs in previous years have relied heavily on American technical expertise, and this should be utilized as an invaluable resource. Nevertheless, many recipient countries have developed talent which can and should be used to a greater degree in such decisionmaking and planning affecting their countries. Not only do these individuals have indispensable inputs to offer in such policy-making, they have a tremendous stake in the success of our participation and involvement. While we most definitely will want to maintain close oversight regarding the use of American capital and other resources, it is time to acknowledge the capability of recipient nations to play more prominent roles in devising their own development policies with American guidance serving an integral support function. This legislation recognizes the cooperative and collaborative spirit which is essential for more adequately responding to essential human needs.

An important feature of this legislation is the establishment of an Export Development Credit Fund. The purpose of this Fund is to extend credit to the lowest income countries for the purchase of goods and services most fundamental to their developmental efforts. At the same time it expands the opportunities for American firms to provide these goods and services for export. There are mutual advantages to be realized through such an arrangement. The importance of increased markets abroad means the creation of new jobs here at home, and the significance of this in light of our monetary and balance-of-trade difficulties cannot be stressed enough.

This foreign assistance bill, more than those which have preceded it, is geared to the proposition of helping developing nations help themselves. The virtue of this philosophy of self-help is shared by most Americans, I believe, and it is appropriate that it is at the heart of this legislation. Beyond the moral rationale and the desire to promote social stability in the world which correctly motivates many to support foreign assistance efforts, I do not believe we should overlook that developing nations offer us the potential of new markets for American business and export trade.

So long as strong arguments can be made for the benefit of foreign assistance in providing for the well-being of the people of developing nations as well as for the achievement of our own national policies, the foreign assistance program should warrant congressional support and that of the public.

**Mr. Chairman,** this legislation is a timely and most appropriate response for effectively assisting developing nations and doing so in a manner favorable to our own interests. I urge its adoption.

**Mr. FRENZEL.** Mr. Chairman, I rise in support of H.R. 9360, the Mutual Development and Cooperation Act of 1973. I

wish to congratulate the Foreign Affairs Committee on the excellent job they have done in drafting this legislation and especially in asserting congressional oversight insofar as program development is concerned.

The committee took a long, hard look at our foreign assistance programs since World War II, and used our experience as a basis for formulating this new approach in aid to developing nations. This new approach was developed because the committee took the initiative to build the program from scratch, not because an executive agency requested a new approach to this problem.

With the passage of this act, Congress will prove that it is not passive in program development, but instead can take strong, effective action to solve problems. For this reason, I believe that the performance of the committee is significant in itself. It sets an example that other committees in the House might well emulate and, more importantly, it sets an example in responsible program development and oversight to the other body, whose record is dismal in this field.

This new approach to foreign assistance can be best summed up by the statement that we ought to help the mass of people of a country rather than an elite. Instead of building a steel mill for every country, this bill emphasizes the economic well-being of the masses of people. Instead of funding large, costly universities in every developing nation, this bill emphasizes new techniques in educating the masses in the fundamental skills of reading and writing.

It is important to note, as the committee does, that the vast sum of our resources in the past has been spent on programs which were designed by the United States for implementation in other countries. Under this bill, the burden on development will rest with the recipient country.

This bill eliminates the old functional categories and institutes more people-oriented categories and \$300,000,000 is authorized for food and nutrition programs. This includes programs dealing with agriculture, rural development, and nutrition.

A fact often overlooked in our country is that, in emerging countries, large numbers of people, sometimes over 50 percent, live in rural areas. These people have been largely neglected in our past assistance programs. Priority will now be given to countries which develop programs designed to help the largest group of the poorest people in their country. With a great number of the very poor living in rural areas, this program category dealing with food and nutrition may be the most significant program included in the Mutual Development Act.

I also wish to draw attention to the new export development credit fund. The purpose of this new fund is to expand U.S. exports to developing nations with the goal of providing additional resources for development without increasing U.S. costs. Under this new fund, credit will be made available for exports relating to development related goods and services.

The Foreign Affairs Committee wisely placed a \$1 billion ceiling on the amount of credit this fund can extend each year.

This will increase private involvement in mutual assistance while, at the same time, create an estimated 80,000 new jobs at home.

The concept of getting our private sector involved in aid is not new. It has been used before to the great benefit of the recipient country and to the private sector. The idea of creating a credit fund to increase the private involvement is a good one.

However, we should be fully aware that this loan program is not competitive to or contradictory to programs of the international development agencies. Our efforts in EDCF are different. We need EDCF and we also need IDA, IADA, the Asian Development Bank and, hopefully, the African Development Bank. When replenishments are needed for these institutions, we should respond with contributions in full.

The committee bill gives the Secretary of State and the President a great deal of flexibility in administering the mutual assistance program. Section 109 permits up to 15 percent of the funds made available in any of the five functional assistance categories may be transferred to any of the other four, provided that the category to which the funds are transferred is not increased by that transfer by more than 25 percent. We should not be locked into specific aid categories too closely.

It is quite probable that certain categories will be more popular with recipient nations, and certain others, not quite as attractive. This provision allows a transferability based upon actual proposals, and will tend to encourage creativity and the use of programs for the masses. I strongly support giving the President this limited transfer power under the five functional aid categories.

Another change is the consolidation of all assistance programs into the Mutual Development and Cooperation Agency. We need a coordinated and rational aid program. Therefore all U.S. activities, including trade, financial policy, and development aid should be brought under one agency. Theoretically, the old Agency for International Development was to do that. The reaffirmation of that principle backed up with the creation of the Development Coordinating Committee in the new agency may help assure that this desirable policy is put into action.

There are other noteworthy provisions in the bill. These include first, a quarterly and semiannual report from the President to the Congress on all aspects of the narcotics control program and its activities; second, the requirement that beginning in fiscal year 1975 all military assistance at Laos and Cambodia be authorized under the Mutual Development and Cooperation Act of 1973 rather than by the Department of Defense budget and; third, the requirement that the President actively seek the creation of independent audit groups within the U.N. and other multinational organizations. I favor these provisions and I trust that the President will faithfully execute the Congresses will in these matters.

I wish to further congratulate the committee in not only redirecting the thrust of our assistance programs, but doing this under the administration's

budget request. This bill authorizes over \$100,000,000 less than the administration requested for fiscal year 1974. I am pleased that the committee was able to find the fat to cut out of the program, and hope that further cuts inevitable in conference committee, will be judiciously applied.

No bill, even this one, cannot be improved. Section 106, costing \$93 million, was unenthusiastically described in the committee report. I am similarly unenthusiastic, and will support an amendment to delete it.

Mr. Chairman, this is a fine bill which exemplifies the best in congressional responsibility and creativity. I strongly support it and urge my colleagues to vote for it.

Mr. PODELL. Mr. Chairman, today, more than ever before, the State of Israel remains a bulwark of freedom, democracy, and stability in the Middle East. We in the United States can take great pride in the fact that we have played a key role in the development of this young, but prospering nation. H.R. 9360, the "Mutual Development and Cooperation Act of 1973, recognizes the unique relationship of cooperation and friendship which the United States enjoys with Israel. It will insure the continuation of this relationship for many years to come.

The Israeli nation represents the best hope for peace and prosperity in the Middle East. Although repeatedly provoked by guerrilla attacks and terrorist activities, the Government of Israel has demonstrated a sincere desire to negotiate a settlement which will be acceptable to all parties. While the Arab nations have persisted in aggressive actions against Israel's borders, Israel has limited itself to purely defensive responses.

As long as other nations continue to pour arms into the Arab nations, it is essential that the United States make a similar supply of weaponry available to Israel. This aid is not given in the interest of war, but in the interest of peace. For, it is acknowledged Arab policy to attempt another violent confrontation with the State of Israel, and the only factor which is preventing such a confrontation is the maintenance of a balance of power. Thus, while it is imperative that the United States continue to do everything in its power to bring about a negotiated peace in the Middle East, it is equally important for our Government to continue maximum assistance to Israel.

Of the \$760 million of military sales being authorized for fiscal year 1974, \$300 million if this amount is earmarked for Israel. This large allocation is necessary because of the massive arms buildup by the Arab nations. Unlike some of our other allies, Israel insists on paying for all the military assistance we provide. The government of Israel does not want charity, just an opportunity to be able to defend itself.

I look forward to the day when all arms sales may come to an end and the world can join hands in peace. The State of Israel is a trusted friend and ally who can help us to bring that moment a little bit closer. But, until that time, we must take actions to meet the needs of

the present world situation. H.R. 9360, will reaffirm our deep commitment to Israel's continued survival and success.

Mrs. SCHROEDER. Mr. Chairman, I support Mr. BINGHAM's amendment to reduce the sum proposed in this bill for Indochina postwar reconstruction aid from \$632 million, the full amount requested by the executive branch, to \$441 million. Almost 6 months have passed since the signing of the cease-fire agreements which were to bring peace to Indochina. In reality the war is far from over, and the administration has shown no indication—in its proposals for reconstruction aid or in its other actions—of changing the bankrupt policies of the past that are making it so difficult for us to extricate ourselves from this war.

We have an overriding responsibility to provide humanitarian relief to the victims of this war, and I believe the \$441 million provided by this amendment is ample for that purpose. But we also have a responsibility to overcome the almost total dependence of our "client" countries on U.S. support—and the direct involvement in the political affairs of these countries that is a necessary result of this type of bilateral assistance.

All too clear has been the order of the GVN's priorities, and our unquestioning support of them. Ninety percent of South Vietnam's total budget is supplied by the United States. Since the mid-1960's, we have contributed at least \$6.5 million to keep political prisoners incarcerated in the now notorious South Vietnam prisons. Through the commodity import program we have underwritten the Thieu regime's budget. Although Robert Nooter of AID in his testimony before the Senate Subcommittee on Refugees claimed that about one-fourth of all the goods and services which the South Vietnamese population consumes comes through existing U.S. economic programs, he neglected to mention that much of this economic aid consists in part of TV's, "Hondas," and other "necessities" used to garner political support for the Thieu government.

In comparison to the generous concern for economic and military stabilization in Indochina, the administration's lack of response and attention to humanitarian needs is appalling. Unless Congress insists that these funds go for humanitarian purposes, they will continue to be siphoned off to higher priority areas.

I was especially pleased, therefore, that the committee has earmarked \$5 million for the benefit of South Vietnamese children, who comprise half the population. The insufferable conditions in which the children of Indochina, most especially South Vietnam, are forced to live, have been graphically brought to the attention of the public by a series of newspaper and magazine articles as well as by the NBC television program, "The Sins of the Fathers."

There have been at least two recent special missions to Indochina to review the conditions of refugees and other disadvantaged persons. Both returned with painful insight and understanding of the potential complexities inherent in our efforts to help; both also offered invaluable recommendations for action.

Reports by the International Rescue



Committee and the Senate Subcommittee on Refugees' Special Mission to Vietnam describe the squalid and dangerously crowded conditions in which children try to survive as normally as possible. Half of the more than 750,000 persons crowded into approximately 128 refugee camps are children, some suffering from malnutrition, some with scrawny, diseased bodies, some with only mangled remnants of a body.

There are some 700,000 to 800,000 known, and possibly as many as 1.5 million children who have lost one or both of their parents to the war. Some 23,000 of these orphans are known to be in approved orphanages in which the mortality rate is said to range between 50 to 70 percent due to pitifully inadequate conditions.

Despite these hellish realities, the Saigon government allocates only 1 percent of its national budget for the welfare of its disabled and orphaned children. The callous disregard in South Vietnam official quarters toward these children is reflected by Maj. Gen. Pham Van Dong, Minister of Veteran Affairs, quoted in *Newsweek* as explaining that:

Orphans are not producers. They are spenders at a time when we need productive returns on our investment.

The children who have drawn particular attention from the media are the 25,000 children of mixed parentage, specifically those fathered by Americans. And we have a special responsibility for these children. In addition to bearing the inhumane conditions of refugee camps and orphanages, these children are subjected to constant racial discrimination.

I am pleased that the committee has set aside 10 percent of the total \$5 million earmarked for children for the facilitation of adoption by U.S. citizens of Vietnamese orphans. This action recognizes two important facts. One is that the bulk of the \$5 million should be allocated to aid the children in Vietnam—to establish and expand day care centers, orphanages, and facilities for indigenous adoption, and for the necessary training of personnel to carry out these child health and welfare programs. However, the present ability of the South Vietnamese to care for all the children in need is simply not adequate. There are many American families who wish to adopt these children, particularly those fathered by Americans or who are handicapped. Every attempt should be made to relax the frustrating and deadly delays involved in the present adoption procedures.

These responsible steps in dealing with the problems we have been so instrumental in creating for the children of Vietnam are long overdue. I fully support the committee's initiatives in this area, but wish to add one more thought. To focus attention only on the children of South Vietnam is to deny that the war has expanded throughout Indochina. It is my hope that this constructive action by the committee will soon lead to similar sensitivity and action for all Indochinese children.

Mr. BADILLO. Mr. Chairman, for several years I have been deeply troubled over a number of aspects of this country's

foreign assistance effort. I have been concerned over certain policies on which our furnishing technical assistance and financial aid has been based and the fact that, all too frequently, such help has not reached the people and institutions most in need but, through mismanagement and outright corruption, has ended up benefiting only a very small percentage of the establishment and official hierarchy of various countries. Particularly troublesome is the fact that in many instances our aid has been extended only to achieve some short term political gain rather than to develop some economic and technical infrastructure upon which the recipient nations could build for future growth and development.

Equally bothersome has been the level of assistance which the United States has made available for, in large part, American bilateral assistance has declined significantly in recent years. All too often it appears that the United States has deliberately chosen to ignore the U.N. development decade target of 1 percent of GNP for resource transfer through development assistance and private foreign investment. This goal was made even more specific by the U.N. General Assembly in 1971 when it declared that a minimum proportion of this 1 percent of GNP—0.7 percent—should represent official development assistance. According to the World Bank the United States is expected to share only 0.24 percent of its GNP with developing countries by 1975. This is even less than the United States gives today—estimated at only 0.3 percent of GNP—and is far short of the 0.7 percent goal. It seems incredible that, once the world leader in aiding the poor and developing nations of the globe, the United States now ranks 12th in the share of national wealth devoted to such assistance. This situation has been most aptly summed up in recent weeks by members of the Peterson and Perkins Committees who concluded that—

At a time when America's need for the cooperation and resources of the developing countries is growing, the United States by its recent actions has indicated less interest in them and their needs, a situation which they sense increasingly.

It seems quite clear, therefore, that there not only needs to be a major reordering in the direction and priorities of our foreign assistance effort but a new commitment to sharing our wealth and technical progress with those people in other countries who are struggling to break the shackles of poverty, ignorance, disease, malnutrition and are earnestly attempting to undertake economic and social growth in order to fully participate in the 20th century world.

Although there have been significant increases in the rates of growth as well as unprecedented increases in output during the last decade in Latin America, Asia, and Africa, the problems of growing unemployment, widening income disparities, unprecedented population growth, and rural to urban migration are worsening in the majority of developing nations. It is important to consider the observations of World Bank President Robert S. McNamara who stated last September that:

The largest, most pervasive and most persistent poverty of all in the world is the poverty of the low-income strata—roughly the poorest 40 percent—of the total population in all developing countries. It is they who—despite their country's gross economic growth—remain entrapped in conditions of deprivation which fall below any rational definition of human decency.

Not only is accelerated economic growth—aided by the more developed nations—required but there is a great need for a broader and more meaningful participation of these poor in the development process as well as a better distribution of goods and services to all.

I believe the Mutual Development and Cooperation Act which we are considering today represents several important and essential reforms of our foreign economic assistance programs. This measure redirects U.S. bilateral assistance so that it is focused on the problems of the poor majority in the developing nations and will hopefully enable them to participate more effectively in the development process. This legislation gives priority to those problems which most urgently must be tackled—nutrition, rural development, health, population, education, and human resources development. A very welcome feature of H.R. 9360 is that it removes certain legislative sanctions—particularly the so-called Hickenlooper and Pelly amendments—which have accomplished nothing more than offending numerous countries and seriously exacerbating already difficult relations in various areas, especially in Latin America.

What is particularly encouraging, Mr. Chairman, is that the Congress has taken the initiative in reexamining and reforming our foreign assistance program. The bipartisan majority of the House Foreign Affairs Committee who studied the problem and developed this new, innovative program and long-overdue reforms is certainly to be commended. The task of redirecting and restructuring the foreign aid program was certainly a difficult and challenging task but one which was essential if this country is to fulfill its moral and legal international obligations.

Although I am generally pleased with this legislation and intend to support it, I continue to be bothered by certain programs which the Mutual Development and Cooperation Act continues. I remain concerned, for example, over the foreign military sales program which has had a direct bearing on several armed hostilities between neighboring States in various areas and has led to both sides fighting with weapons and materiel made in the U.S. I believe the foreign arms sales program must be much more carefully monitored and I support the amendment to be offered by our colleague from New York (Mr. BINGHAM). Another highly questionable feature of the foreign aid program has been the public safety program, particularly the manner in which local police forces have used American money, equipment and training to stifle free expression and responsible dissent as well as to commit acts of brutality and administer inhumane prisons. For months we have been receiving well-documented reports that, contrary

to the terms of the Paris cease-fire agreement, the Thieu regime in Saigon continues to hold political prisoners and has subjected many of them to inhumane treatment and unspeakable conditions. Although there is language in this bill which addresses itself to the issue of the use of Indochina reconstruction funds not being used for South Vietnamese police or prison support, I, for one, simply refuse to accept assurances of any kind from Mr. Thieu or his officials. Thus, I urge our colleagues to support the amendment to be offered by our colleague from Massachusetts (Mr. HARRINGTON) which specifically prohibits the use of U.S. funds for public safety, police support, prison construction or prison administration within South Vietnam.

Mr. Chairman, in the main, the Mutual Development and Cooperation Act is a welcome measure. It corrects many weaknesses and inadequacies of the aid program, adjusts much of the focus of our worldwide assistance effort and furnishes improved tools and programs for this Nation to effectively meet the many and varied problems of poverty throughout the globe.

Mr. OWENS. Mr. Chairman, last year I was elected to this body after having openly and repeatedly advocated increased Federal spending for programs aimed at solving this country's domestic problems, but I also stated that I thought the economic situation to be such that this coming fiscal year we must strive to achieve a balanced budget. The continuing inflationary spiral makes that course of action more imperative all the time. I suggested that these twin goals could be brought about by sizable spending cuts in the areas of military spending, foreign assistance, and space, all of which would allow us to approach a balance of national income and outgo.

I have voted today to cut various foreign assistance programs with my major criticisms directed toward military assistance. These so-called aid programs which have been used to effect political ends, have lead us into disastrous political and military entanglements.

I am also voting to cut funds because I am distressed at the spending priorities of this administration which opposes funds for low-cost housing, health care, pollution control, education, and rural development, yet proposes vast new sums for defense and foreign assistance.

I would like to see the foreign aid program stopped in its tracks, then restarted on a purely humanitarian basis. My vote today against this bill is meant to express not only disagreement with the past history of foreign assistance, but also my disgust at the administration's spending priorities and my determination to strive for a balanced budget in 1974.

Mr. DRINAN. Mr. Chairman, when the gentleman from Massachusetts (Mr. HARRINGTON) and the gentleman from Maryland (Mr. MITCHELL) offer an amendment I will vote for it. This amendment calls for the immediate withholding of funds from the South Vietnamese Government until such time as that Government releases all political prisoners as a step on the road toward democratic government.

Those who argued most cogently on behalf of what they took to be our effort to help defend the Republic of Vietnam did so by presenting as the issue the defeat of an attempt to impose on the people of South Vietnam another government, not of their own choice, but by force, and under outside sponsorship. The amendment before us today tests the honesty and good intentions of those who were persuaded by those arguments. While I was not so persuaded, those who were persuaded must necessarily have taken the position that there was at least some legitimacy to the Government in Saigon. U.S. Government complicity in programs, such as the Phoenix program, designed to destroy even the possibility of political opposition of President Thieu, characterized by the imprisonment of hundreds of thousands of political prisoners, must, in the minds of those men and women, put into serious doubt the correctness of that belief.

Although observers, attempting accuracy while laboring under the disadvantages war imposes, estimate that in free elections the National Liberation Front would win at most 20 percent of the vote, do not believe that this means 80 percent would support President Thieu. On the contrary, there exists a reservoir of non-Communist political opposition to the Thieu administration and to the NLF as well, which would come forward if ever the bullet gave way to the ballot. President Thieu knows this. So does the NLF. Both sides have tried to eliminate it.

The United States has no influence with the NLF. Our influence over President Thieu extends at least as far as his dependence on American financial and military support, even if gratitude for past support, essential to his survival, has no current value.

Postwar U.S. Government aid to Indochina must be contingent upon the carrying out of the Paris accords. The refusal of the Saigon government so far to release the hundreds of thousands of political prisoners is a major stumbling block to full implementation of the Paris accords. Facilitating the free expression of political opinion in South Vietnam was one of the most important of the provisions of those accords. President Thieu has so far failed to carry out that provision.

An amendment before us asks, Shall we finance that failure? Shall we continue to provide more financial and military support to a policy which has lead many to believe that the United States, as much as North Vietnam, is engaged in an attempt to impose on the people of South Vietnam a government, not of their choice, by force, and with outside—that is, our—sponsorship?

I say no. I believe that "no" cuts across party lines. It bears no relation to one's support or opposition to our Government's policy in Indochina. For those who have opposed that policy, support for the amendment before us is simply a consistent application of our belief that this Government has been wrong in supporting a corrupt, dictatorial regime in Saigon. For those who supported the U.S. policy in Indochina, support for

this amendment is a tangible sign of their earnestness in saying that what this war was about was freedom of choice for the people of South Vietnam.

The amendment before us should not be a cause of controversy. It deserves our united support. We should not permit the Saigon government to act inconsistent with the democratic principles of the United States, the democratic principles present in the South Vietnamese Constitution, and the democratic principles outlined in the Paris accords. The United States funds 90 percent of the Saigon government's cost. The United States continues to provide the bombs, ammunition and other material used by the Saigon army. We must not condone the imprisonment of political opposition to the Saigon regime by our failure to insist that those democratic liberties be guaranteed.

Ms. ABZUG. Mr. Chairman, I intend to support Mr. HARRINGTON's amendment prohibiting the use of U.S. funds for "public safety," police support, prison construction and prison administration within South Vietnam, when it is offered.

The bill we are considering, H.R. 9360, requires only that the President receive assurances satisfactory to him, that no funds authorized under the Indochina reconstruction section of the bill are being used for police or prison support. Considering the relationship between the Thieu regime and the present administration, there is little doubt that such assurances would be asked and given, no matter what the true situation was. The money for Thieu's barbarous police and prison system has been carefully hidden and distributed under innocuous names—especially after the peace agreement of January 1973 required an end to U.S. funding of police programs.

Who would have thought that the "Agency for International Development" would actually be in charge of the infamous "tiger cages" at Con Son, exposed in 1971 by two Members of this body? Subsequently funds were labeled for "Public Works General Support."

Now, in response to the criticism that has ensued, AID itself is to disappear under this new act, to be replaced by the Mutual Development and Cooperation Agency.

Even such humane programs as food for peace have been subverted: \$137 of food-for-peace funds were earmarked for South Vietnamese military spending. We must be sure that this deceit is not practiced again in any form; that when we send aid for humane purposes it is immune to tampering.

We must be particularly careful that we do not condone the treatment meted out to his political enemies by Dictator Thieu. Repeatedly, in testimony before both Senate and House Committees, medical teams and agencies such as the Quakers' relief missions have corroborated stories of mass arrests on suspicion only, of detention without trial, and of torture.

Madam Ngo Ba Thanh, who studied law in Paris, in Barcelona and at my own alma mater, Columbia University, was imprisoned 3 months before the one-man election in 1971. She is a leader of



the women's movement and the protests against police-state methods; that is, she was a leader: when last seen, in March 1972, she was brought before a military court on a stretcher, too ill to stand trial. Recent rumors of her whereabouts are conflicting: She may have been moved to a prison for "common criminals." This is one of Mr. Thieu's evasions: He simply labels his political enemies "criminals" and therefore claims to have only a few thousand "Communists" and no political prisoners jailed. The most reliable first-hand sources have estimated that some 200,000 people are being held—women and children, monks, Buddhists, nonpolitical persons who just happened to be present when a raid was made, or who have relatives suspected of opposing the regime. It is worth noting that the Saigon government's food allotments for prisoners are based on 400,000 persons.

It is sad indeed to contemplate the undeniable fact that the United States supplies about 90 percent of the funds that keep the Thieu government in power. Senator KENNEDY has indicated that the Nixon administration hopes to spend, in all, some \$15 million on "public safety" programs in South Vietnam this year.

It is a cruel deception to underwrite detention and torture in the name of foreign aid or mutual development. Let us call this program by its right name—a vicious prison system—and eliminate it entirely from the bill, through Mr. HARRINGTON's amendment.

Mr. VANIK. Mr. Chairman, I rise in support of the amendment by the distinguished gentleman from Louisiana to strike the provisions relating to the export development credit fund.

I have been deeply concerned about recent activities of the Export-Import Bank. That Bank has been making 6 percent loans—and it has authority to make up to \$20 billion worth of such loans—while our own businesses and industries are borrowing in the money markets at 10 to 12 percent. For example, the Export-Import Bank recently made a loan to Scandinavian Airlines for the purchase of aircraft—aircraft which will fly over some of the same routes as are flown by U.S. airlines which have to buy their aircraft at 10 to 12 percent interest rates.

The Export Development Credit Fund is a new Export-Import Bank. Its loans are even more "liberal" and there is little clear language as to the types of goods which can be purchased with these subsidized loans. As presently worded, this program may soon be financing the purchase of goods which may not be in the best interests of the developing nations.

The Export Development Credit Fund provided by this bill is limited, of course, to countries with an annual per capita income of \$375 or less. This is a worthy change. In fact, I would hope that the Export-Import Bank Act would be amended to limit its loans to those countries which are dollar-deficit countries and which most need our assistance and manufacturing goods.

This bill proposes a new \$5 billion authority for export soft loans. Our Nation already offers soft loans for agricultural purposes such as the Commodity Credit Corporation and section 480. This

bill would increase this soft-loan authority in new areas. The Treasury would have to sell securities to raise \$5 billion while the interest subsidy would become another \$5 billion in the passing years.

But my major objection to this provision is that it does not belong in this bill. It belongs in the trade legislation currently being considered by the Ways and Means Committee.

The committee is presently in markup session on H.R. 6767, the administration's Trade Reform Act of 1973.

This bill contains a title 6 which provides for special trade preferences to developing nations. This section of the trade bill would give developing nations certain advantages for selling in the American market. This, in turn, would give them the dollar currency needed to buy American goods and produce. It would involve a minimum of subsidy by American taxpayers.

In addition, this provision of the trade bill would deny these preferences to any developing nation which gives a special preference to the exports of a third country. At the present time, there are some 80 nations, most of whom would be eligible for participation in the export development credit fund, who provide special preferences to third-party countries. Many of these are former colonies of European countries and they have established special trade deals with each other—deals which often block out any chance for American exports.

Why should we provide extremely low interest credits to these countries when many of them discriminate against our exports and normal trade?

The export development credit provision should be stricken. Exports and new trade agreement legislation should be concentrated in the trade bill and included in trade discussions.

I am for helping these lowest-income nations. But such help should be coordinated and administered in the best manner possible.

Bringing up this new subsidy program in this bill simply confuses the picture.

I urge the adoption of the amendment of the gentleman from Louisiana.

Mr. RANDALL. Mr. Chairman, I oppose H.R. 9360, the 1973 foreign aid bill.

Many of the reasons for opposition of former years remain as valid as ever. All we have to do this year is to take a close look to try to find out whether the committee has in truth and in fact reformed and restructured economic assistance, or is the situation just about the same as the bills of other years except for some very pleasant phraseology?

Whatever else the House Foreign Affairs Committee may be criticized for in relation to H.R. 9360, they deserve a compliment as excellent wordsmiths for dreaming up such an attractive title for the new bill. When they called it the "Mutual Development and Cooperation Act of 1973," it sounds right good. That is quite a far cry from just a plain old garden variety foreign aid bill.

I'm sure serious questions could be raised as to how the developing countries can be of very much help in the development of the United States, but

that is the word "mutual" would seem to imply. Also it is interesting to see how cooperation can flow more than one way, unless it is hunted the recipients are now going to cooperate by coming after the funds rather than have the money delivered as in former years.

The committee does deserve praise for getting rid of the old Agency for International Development Aid, even if they did have to put in its place the sweet-sounding Mutual Development and Cooperation Agency. Whoever in the committee or the administration figured out this wordage should have no difficulty finding a job with just about any Madison Avenue advertising firm.

Now Mr. Chairman, with all of this emphasis on restructuring and reform the committee does deserve some thanks for focusing its attention on such problems in the developing countries as food, health, and education. But who can deny that in this country our own Office of Economic Opportunity, OEO, that once administered the poverty program, has been dismantled and may very soon cease to exist as an entity? Who can deny that legislation for medical research and public health for our own people here in America has been vetoed because the expenditure was too much? Who can challenge the fact that in the field of education the administration has threatened vetoes against all HEW appropriations and has moreover impounded funds for student loans, with full knowledge that our young people will have to have some assistance if they expect to finish their education?

Yes, all of the so-called restructured and reformed provisions of this new foreign aid bill seem very praiseworthy when we speak of such lofty goals as food, health, and education. But a closer look will reveal we are right back where we were to the old giveaway programs of foreign aid of former years. By the foregoing I am suggesting that we should oppose and vote against a bill of this kind until we reach the time there is less hunger and better nutrition in America. We should not fund programs for health in other countries until more of our own health problems have been solved. We should not try to educate the world until there is at least some reasonable or more adequate funding for our own schools and institutions of higher learning. There might be those who would charge that our country should never be selfish or self-centered and that we should share our bounty with all of the so-called developing countries. True, a philosophy of sharing is well and good. But it should be embraced only after we have solved more of the problems in our own country. After we solve more of our own problems there will be time enough to help the developing countries. Somewhere in the back of my mind I remember that charity is a virtue unless it goes so far as to make the giver a potential recipient of charity himself.

Finally, Mr. Chairman, the strongest argument against this and all other kinds of foreign aid is an argument for which there is no rebuttal. It is the argument that we must stop and cease sending American dollars abroad unless we ex-

pet to suffer from another devaluation with the dire consequences of international monetary instability. For the foregoing reasons, I have no recourse but to oppose H.R. 9360.

Mrs. HOLT. Mr. Chairman, it is with mixed emotions that I rise to express my opposition to H.R. 9360, the Mutual Development and Cooperation Act of 1973.

I fully recognize the granting of foreign aid to be a legitimate function of our Government; a function which during the post World War II period has contributed to a more stable and harmonious world situation. However, it is my contention that this undertaking must be secondary to our domestic needs.

We have been asked to make many difficult decisions during the formulation of this year's budget. Many domestic programs have been cut or curtailed in an attempt to moderate Government spending and avoid a tax increase which cannot be afforded by the American people. While I am in general agreement with this budgetary philosophy, I feel that it should be equally applied to our foreign aid program.

Mr. Chairman, there is no way that I can justify to myself or my constituents voting for this bill at a time when the dollar is fluctuating violently; at a time when inflation is eliminating or surpassing wage gains; and at a time when the American taxpayer is struggling just to make ends meet.

In addition, our balance-of-payments situation has been steadily deteriorating during recent years. Restoration of balanced trade will require more cooperation from our international neighbors and less blind generosity on the part of the United States.

I must place the welfare of the citizens of our country above that of the recipients of American foreign aid.

Mr. BURKE of Massachusetts. Mr. Chairman, for the first time in my 15 years in service as a Member of Congress I voted for cuts in, and finally altogether against, the Mutual Development and Cooperation Act. This vote was cast in a very reluctant manner on my part, done after a great deal of soul searching and examination of the who, what, where, when, why, and hows of the overseas policies of our Government. In the past 18 months we have had two official devaluations and one unofficial devaluation of the dollar as a result of foreign countries raising the value of their currencies. This has had a most disturbing effect on our economy, the result of which has been the extreme disruption of our monetary policies, the skyrocketing of prices, and an almost uncontrollable increase in our interest rates. This administration seems to have placed itself in a hopeless position, unable to cope with these inflationary problems whose conditions appear to worsen instead of improve with each passing day. In light of this untenable situation, I was compelled to register my vote of opposition to this legislation as a mark of protest. I am not against foreign assistance per se, in fact, I feel there is a great deal we can do in this area if properly administered. In fact, had I felt that the aid and assistance

we were voting on was reaching down to the impoverished peoples of the world I would have had no reluctance whatsoever in voting to approve that act. Every shred of evidence we have in our possession, however, points to the contrary.

With monstrous national deficits, with the dollar dwindling away in its value, with high rates of unemployment and the high cost of welfare, and with the staggering burdens facing those on fixed incomes, I make specific reference here to the elderly of our Nation who are being forced to live in real misery and deprivation, with these concerns in mind I could not in good conscience vote for this bill. There comes a time when we must stop, look, and listen and that time is here.

There is great debate ongoing about the abuse of power in the executive department of Government and this bill embodies further extensions of authority to the Executive which I do not believe the President is entitled to have. Last year the Congress passed a law establishing a Joint Study Committee on Budget Control. I am a member of that committee and in that capacity I feel that I have a responsibility in this area. I regret having to oppose my good friend and esteemed colleague, the honorable Dr. THOMAS E. MORGAN, chairman of the Foreign Affairs Committee, on this bill.

In Massachusetts and Rhode Island, where we have the highest unemployment rates in the Nation, we have recently witnessed Department of Defense decisions to exercise sharp meat-ax cutbacks which will result in the loss of 35,000 jobs. Other indiscriminate national policies have contributed to excessively high and unjustified rates of unemployment not only in Massachusetts but in the neighboring State of Rhode Island as well. Thousands of people have swollen the unemployment roles and they can attribute their predicament directly to these policies. Great hardships have resulted in the 11th District of Massachusetts, indeed in the entire Northeast section of the country, because of these policies. In the face of meat-ax cuts like these taking place in America without the national administration stopping even one moment to consider the economic impact of their decisions, then I say there is but one alternative for us, the duly elected Representatives of the people, and that is to question each and every spending policy of this Government. As I stated at the outset, I was reluctant to cast this vote; however, I shall continue to do a lot of soul searching and I shall continue to investigate, examine, and scrutinize all questions on future spending policies of this country particularly where they seem to run counterclockwise to the spending policies in selective areas of the Nation. I refer specifically and unequivocally to the administration's unfair attitude toward the Commonwealth of Massachusetts. I hope and trust that I will be able to vote for foreign aid and assistance programs in the future because I feel that there exists such a need; however, the loosely drawn policies of this administration make it very difficult to do so.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, on March 6, 1973, I wrote to

Dr. John A. Hannah, Administrator of the Agency for International Development, and requested a copy of the 1973 country field submission for AID's East Asia regional program. The Foreign Operations and Government Information Subcommittee, which I chair, began a study of the economy and efficiency of this program over a year ago. In connection with our study, we had previously asked for and received copies of the 1971 and 1972 country field submissions. Actually, over the years, the subcommittee has requested many, many country field submissions needed for the economy and efficiency studies made by our subcommittee. Prior to last year, the subcommittee had never been refused a copy of any country field submission requested.

As you may recall, however, in early 1972, when we asked for a copy of the country field submission for Cambodia, President Nixon personally directed the Secretary of State not to make the document available. At that time, we in Congress could only surmise what it was that the executive branch was trying to hide which it was either ashamed of or unable to defend. As each day goes by, however, we learn more and more what it is that the executive branch was trying to hide—nonexistent Cambodian troops which the U.S. taxpayers were paying for, secretive bombing of the Cambodian people, and unauthorized dying of American troops.

In response to my March 6, 1973, letter, Dr. Hannah wrote me on March 22 that the country field submission could not be provided to the subcommittee. Subsequently, on March 28, I invited Dr. Hannah to testify before the subcommittee on the subject of executive privilege. On April 3, Dr. Hannah wrote me again and advised that it was not his intent to withhold the document under the claim of executive privilege and that—due to previous commitments—he would be unable to appear before the subcommittee. I reiterated my request for the document on April 4, 1973, and was informally advised that the matter has been referred to the President for a decision.

Mr. Chairman, we are still awaiting the President's decision as to whether the subcommittee can have the document. The 35 days allowed under section 634(c) of the Foreign Assistance Act has already expired. A vote by the House Committee on Government Operations could result in the immediate termination of the foreign aid program. I sincerely hope the President will see fit to provide the country field submission requested.

Currently, we have before the House a bill to authorize continued foreign assistance in the amount of \$2.8 billion. Are we in the Congress expected to blindly authorize the appropriation of billions of dollars of the taxpayers' money without full and complete access to all information needed to assure ourselves—and our constituents—that their money is being spent with the utmost of economy and efficiency?

Mr. Chairman, I insert my comments on this subject of March 16, 1972, and March 14, 1973, and the correspondence



previously referred at this point in the RECORD:

[From the CONGRESSIONAL RECORD, Mar. 16, 1972]

#### U.S. ASSISTANCE PROGRAM IN CAMBODIA

Mr. MOORHEAD. Mr. Speaker, at 11:30 last night there was knock at the door of my house in Washington.

A State Department official entered from the dark of night bearing a photocopy of an extraordinary document signed Richard M. Nixon.

The timing of my midnight visitor's visit was not coincidental.

On February 9, 1972, I wrote a letter, as chairman of the Foreign Operations and Government Information Subcommittee, requesting the country field submissions for Cambodia for the fiscal years 1972 and 1973 and mentioned the section of the Foreign Assistance Act which provides that in the event of denial of information to the Congress money for that foreign aid program will cease 35 days after such request unless the President himself invokes the doctrine of Executive privilege.

That 35-day period expired at midnight last night.

Thirty minutes before the deadline, my midnight visitor delivered to me a photocopy of the document whereby Mr. Nixon asserted this doctrine.

The Committee on Government Operations, through its duly-constituted subcommittee with jurisdiction over U.S. economic assistance programs abroad, is now unable to comply with our mandate from the House of Representatives to study the economy and efficiency of such government activities at all levels.

On March 3, I advised Secretary of State Rogers of the possible implications of withholding information from Congress on the Cambodian aid program. I said at that time:

"This position can only raise questions in the minds of Members of Congress and the public that the Executive Branch is trying to hide something it is either ashamed of or unable to defend."

Now that this action to deny Congress this information actually has been taken, I feel impelled to raise a question.

"Could it be that the administration is trying to cover up the possible diversion of economic assistance funds for military uses when these funds were specifically appropriated by Congress to support the civilian economy with essential commodity imports?"

Others might logically ask whether there is any connection between this refusal and the new dictatorship which has been established in Cambodia.

I think the American public and Congress have a right to know the answers.

We have never been refused this document—the Country Field Submission—under the past three administrations until now. We always have respected the proper security classifications. Since 1964 we have examined at least nine Country Field Submissions for East Asia and numerous others for other nations in other parts of the world.

So what is so special about the documents for Cambodia? What is it that the White House cannot share with the Congress—the duly-elected representatives of the American people?

JOINT STATEMENT BY REPRESENTATIVES WILLIAM S. MOORHEAD, D-PA., CHAIRMAN OF THE HOUSE FOREIGN OPERATIONS AND GOVERNMENT INFORMATION SUBCOMMITTEE, AND JOHN E. MOSS, D-CALIF., AUTHOR OF THE FREEDOM OF INFORMATION ACT, MARCH 14, 1973

A few days ago, the President of the United States unilaterally assumed extraordinary powers well beyond those enumerated in the Constitution which he swore to "preserve, protect, and defend." He announced he would invoke the claim of executive privilege to

prevent the officials of his administration from appearing before committees of the Congress of the United States in cases where he felt they should not testify.

The President by this action is not threatening to exercise the claim of executive privilege. In reality, he would be invoking some imagined form of immunity.

We call upon the President of this great nation to be a "strict constructionist" of the Constitution.

We demand, as two duly-elected representatives of the people, that he adhere to Article II, section 3 of the Constitution requiring him to communicate to Congress and faithfully execute the laws of the United States.

The President's March 12th statement on executive privilege is so far-reaching in its effect upon the traditional structure of the Government of the United States that it should have been submitted to the Congress in the form of a resolution to amend the Constitution.

The President obviously is operating under the illusion—which has become increasingly clear in recent months—that he has the sole power to govern this nation and that the Congress may intrude only to the extent that he is willing to tolerate and only so long as he regards its actions as wise.

In any case of disagreement, the President appears to assert a self-assumed privilege to make the final and binding determination. This must be rejected by the Congress and by the American people.

Executive privilege, a privilege analogous to the other claims made by chief executives of the United States over the many years of so-called inherent powers, has never been fully tested in the courts except to the extent of the test before the Supreme Court in the *Youngstown Sheet and Tube* case when the late President Truman seized the steel mills under a claim of inherent powers. The court in that case severely limited the President's inherent powers and struck down the seizure. What the court said of inherent powers is equally true of any claim of executive privilege.

President Kennedy on March 7, 1962, agreed to limit his claim of those powers by judging each case on its merits and permitting so-called executive privilege to be invoked only by the President. The late President Johnson, in a similar declaration on April 2, 1965, agreed to continue the same policy.

In a letter to the House Foreign Operations and Government Information Subcommittee on April 7, 1969, President Nixon appeared to concur. He used more language; he was not as precise as a few days ago; nevertheless, he did not then assert the kind of privilege broadening the claim of privilege which has occurred in his most recent statement.

If the Congress must join this issue with the President—then let this Congress enter upon that battle with a full understanding of both its powers to act and its responsibility to act to preserve our Constitutional form of government.

Through a lack of understanding and because of a Presidential arrogance which outpaces Congressional understanding, the Congress must not permit the creation of an executive larger than life. The Congress does not find itself at this moment powerless in challenging this unprecedented and most arrogant form of claim of executive privilege made by any Chief Executive in the history of this nation.

If witnesses decline to appear, then the body of Congress faced with this challenge to its powers should promptly cite that witness for contempt of Congress and should directly act to take him into custody if the person fails to comply with the Congressional demand for appearance and the giving of testimony. A writ of habeas corpus could then be sought, and the issue would

be before the courts for the first time in American history.

Any President who bases privilege claims upon a continuing tradition demonstrates an amazing lack of knowledge with the detailed history of the confrontation between the Congress and the Executive.

President Nixon states that executive privilege was first invoked by President Washington. Presumably, he referred to a House investigation of the defeat of Gen. James St. Clair by the Indians. Every scrap of information on the whole disastrous affair was disclosed by President Washington to Congress. So there was no executive privilege in this case. The contention that there was is a myth.

In regard to witnesses, there is no trace of this privilege claim in American history until President Eisenhower's administration. So it is patently false that President Nixon's advance assertion of executive privilege in refusing to allow White House aides to testify before Congress is deep-rooted for "almost 200 years."

The President obviously wants to erect a barrier so that Congress cannot carry out its functions to legislate with the fullest understanding of details of conduct within the executive departments and agencies. But the Congress cannot determine whether there is fidelity to the mandates it has given the executive without compelling the appearance of executive department personnel and requiring them, if necessary, to testify under oath.

In doing so, the President picks a most inopportune moment; his motives must be brought sharply into focus in view of the revelations of his nominee for FBI Director before the Senate.

We charge that the President also has added another new element to the claim of executive privilege and that is the assertion that administration officials need not answer the call of Congressional committees if the performance of their duties would be "seriously impaired." This new alibi could be voiced by "every official." If this is allowed to stand, there will be no need for Congressional hearings because there will be no witnesses to inform the Congress and the American people what their government is doing and why.

The President is trying to recast us into a mold of government with a dominant executive, but Congress is dominant under our Constitution. Congress makes the laws and can impeach and question activities of the President and every other Federal official. God forbid that this ever change because then our Constitution will be nothing but a scrap of paper.

We invite—yea, urge—even demand if we must—that President Nixon reexamine his blanket claim of privilege in the light of the strict constructionist doctrine he believes the Justices of the Supreme Court should adhere to in their decisions.

We also remind him of his own words in the U.S. House of Representatives on April 22, 1948, when he, as a Member of Congress, was attacking the claim of executive privilege—

"... The point has been made that the President of the United States has issued an order that none of this information can be released to the Congress and that therefore the Congress has no right to question the judgment of the President in making that decision.

"I say that that proposition cannot stand from a constitutional standpoint or on the basis of the merits for this very good reason: That would mean that the President could have arbitrarily issued an Executive order in the *Meyers* case, the *Teapot Dome* case, or any other case denying the Congress of the United States information it needed to conduct an investigation of the executive department and the Congress would have no right to question his decision."

HOUSE OF REPRESENTATIVES, FOREIGN OPERATIONS AND GOVERNMENT INFORMATION SUBCOMMITTEE,

Washington, D.C., March 6, 1973.

HON. JOHN A. HANNAH,  
Administrator, Agency for International Development, Washington, D.C.

DEAR DR. HANNAH: In previous years, as you may recall, our subcommittee requested and received copies of many of AID's country field submissions. You will also recall that when the Subcommittee requested the Country Field Submission for Cambodia, President Nixon exercised what he considered as "Executive Privilege" and ordered the document withheld from the Subcommittee on the basis that it contained proposals for future years' programs which were under consideration within the Executive Branch.

Subsequently, on May 31, 1972, the Assistant Secretary of State for Congressional Relations testified that "the President's invocation of executive privilege . . . did not constitute a blanket delegation of the authority to his subordinates to claim this privilege. Its exercise remains personal and, therefore, restricted to the most essential issues."

In connection with the Subcommittee's continuing study of AID's East Asia Regional Program, I would like, at this time, to request a copy of the FY 1973 Country Field Submission prepared by the Office of Regional Development in Bangkok. The country field submissions for FY 1971 and 1972 contain nothing which I can see to be a "most essential issue." Further, I have delayed making this request until final Congressional action on AID's FY 1973 funding request to preclude the withholding of the document on the basis that it contains proposals for future years' programs which are under current consideration within the Executive Branch.

I would appreciate your prompt and favorable response to this request.

Sincerely,

WILLIAM S. MOORHEAD,  
Chairman.

AGENCY FOR INTERNATIONAL DEVELOPMENT,

Washington, D.C., March 22, 1973.

HON. WILLIAM S. MOORHEAD,  
Chairman, Subcommittee on Foreign Operations and Government Information, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your letter of March 6, 1973 requesting a copy of the FY 73 Country Field Submission prepared by the Office of Regional Development in Bangkok.

As you know, the President, in a memorandum dated March 15, 1972, directed the Secretary of State not to make available to the Congress Country Field Submissions because they are basic planning documents which set forth intermediate staff level recommendations which are not approved Executive Branch decisions.

You refer in your letter to the President's directive but imply that you believe the document in question is no longer within the scope of the decision in that there is now an approved Executive Branch position with respect to the program to which the document refers.

We believe that such an interpretation overlooks the principal basis of the President's decision, "... that unless privacy of preliminary exchange of views between personnel of the Executive Branch can be maintained, the full frank and healthy expression of opinion which is essential for the successful administration of Government would be muted." Country Field Submissions, at the time of their preparation, contain recom-

mendations and opinions from officials in the field which are but one step in the decision-making process leading to an Executive Branch position. It is important that the candor and independence of judgment of the authors of CFS documents be insured because of the important role played by these internal documents in this decision-making process. The release of a Country Field Submission after the Executive Branch has arrived at an approved position would have the same undesirable impact upon the internal process as would be disclosure of the contents prior to a final Executive Branch decision. Full and frank expression of ideas would be discouraged in the same manner.

As you know, the President also directed that, in lieu of the Country Field Submission document, Congress be provided with "all information relating to the foreign assistance program and international information activities" not inconsistent with his decision. Accordingly, we are prepared to furnish the Subcommittee with the substantive information contained in the Country Field Submission of the Office of Regional Development and to provide the Subcommittee with all information relative thereto which is appropriate in light of the President's directive. According to your wishes, we will make such information available in either a detailed written presentation or in a full oral briefing.

Sincerely,

JOHN A. HANNAH.

HOUSE OF REPRESENTATIVES, FOREIGN OPERATIONS AND GOVERNMENT INFORMATION SUBCOMMITTEE,

Washington, D.C., March 28, 1973.

HON. JOHN A. HANNAH,  
Administrator, Agency for International Development, Washington, D.C.

DEAR DR. HANNAH: Your March 22nd response to my letter of March 6, denying our request for a copy of the FY 1973 Country Field Submission prepared by the Office of Regional Development in Bangkok, raises serious questions which need to be answered.

As I explained in my letter, testimony before our subcommittee on May 31, 1972, by the Assistant Secretary of State for Congressional Relations made it clear that the President's March 15, 1972, memorandum regarding Country Field Submissions and their availability to the Congress "did not constitute a blanket delegation of the authority to his subordinates to claim this privilege." Such interpretation was also given the Subcommittee in testimony that same day by the Department's Deputy Legal Adviser.

The Subcommittee is holding hearings next week on the subject of "Executive privilege" and desires to explore what appears to be a contradictory opinion to that of previous Department witnesses on this subject. We suggest either Wednesday, April 4, or Thursday, April 5, as optional dates. Since hearings will be in both the mornings and afternoons of those days, we will make our schedule flexible enough to accommodate you. If additional details on the desired scope of your testimony are required, please contact the Subcommittee office: 225-3741.

In accord with the rules of the Committee, it would be appreciated if 50 copies of your prepared statement are delivered to Mr. William G. Phillips, Subcommittee Staff Director, Room B-371B, Rayburn House Office Building, 24 hours in advance of your appearance.

We will look forward to hearing from you so that this most serious problem can be fully discussed and, hopefully, resolved in an expeditious manner.

Sincerely,

WILLIAM S. MOORHEAD,  
Chairman.

AGENCY FOR INTERNATIONAL DEVELOPMENT,

Washington, D.C., April 3, 1973.

HON. WILLIAM S. MOORHEAD,  
Chairman, Subcommittee on Foreign Operations and Government Information, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This acknowledges receipt of your letter of March 28, 1973, and the invitation to attend hearings of the Subcommittee on the subject of Executive Privilege.

I regret that my letter of March 22 with respect to the release of the Country Field Submission for the Office of Regional Development in Bangkok may have led to a misunderstanding over A.I.D.'s interpretation of the President's memorandum of March 15, 1972. I trust that a statement of A.I.D.'s position on this subject will resolve the problems to which you refer to the satisfaction of all concerned.

The guiding policy of the Administration on the subject of Executive Privilege was set forth in the President's memorandum of March 24, 1969 to heads of Executive Departments. In that directive, the President announced that the Administration would invoke the authority to withhold information from the Congress "only in the most compelling circumstances and after a rigorous inquiry into the actual need for its exercise." The authority was to be exercised only with "specific Presidential approval".

The President's invocation of Executive Privilege on March 15, 1972 has not been interpreted by A.I.D. as either a blanket exercise of the privilege or as a delegation of the authority of the President to subordinates in the Executive Branch. Such would be contrary to the clear meaning of the March 24, 1969 directive. Instead, the memorandum indicates that requests for Country Field Submissions and other comparable planning documents raise issues of particular importance which require careful review on a case-by-case basis. We have established a procedure to assure that such a review takes place.

Turning to my letter of March 22, it was not my intent in offering to the committee substantive factual information in lieu of the CFS document itself, to deny the report requested by the invocation of Executive Privilege authority, which is reserved to the President alone. It was my hope that a full oral briefing or written presentation regarding the contents of the document would fulfill the requirements of the Subcommittee. I have instructed my staff to work with yours to establish a mutually acceptable solution to the problem along these lines.

If I can be of further assistance please advise me. I regret that I shall be unable to accept your invitation to appear before the Subcommittee on either April 4 or April 5 due to previous commitments.

Sincerely,

JOHN A. HANNAH.

HOUSE OF REPRESENTATIVES, FOREIGN OPERATIONS AND GOVERNMENT INFORMATION SUBCOMMITTEE,

Washington, D.C., April 4, 1973.

HON. JOHN A. HANNAH,  
Administrator, Agency for International Development, Washington, D.C.

DEAR DR. HANNAH: Your letter of April 3, 1973, advising that it was not your intent to deny the Subcommittee a copy of the FY 1973 Country Field Submission for the East Asia Regional Program by the invocation of executive privilege, has been received. Also, your offer to provide the Subcommittee substantive factual information in lieu of the document itself has been carefully considered. However, as previously noted by the Subcommittee, it is essential that we have access to the document itself.



I had hoped that my letter of March 6, 1973, would have made it clear that the Subcommittee has a current need for the document itself and that I did not believe—under any stretch of the imagination—the document could be refused under the so-called doctrine of "Executive Privilege". Further, the Presidential memorandums which you mention as providing the guiding policy of the Administration do not appear to provide a basis for withholding the document requested.

The President's memorandum of March 24, 1969, as you acknowledge, stated that the Administration would withhold information from the Congress "only in the most compelling circumstances." Further, the President's invocation of "Executive Privilege" of March 15, 1972, directs agencies "not to make available to the Congress any internal working documents concerning the foreign assistance program or international information activities, which would disclose tentative planning data, such as is found in the Country Program Memoranda and the Country Field Submissions, and which are not approved positions."

I am convinced that the CFS requested does not fall within the foregoing guidelines. Further, your view that full and frank expression of ideas would be discouraged in the event that the country field submissions are released to the duly constituted committees of Congress seems equally without merit. The contents of the country field submissions are simply not that full of novel ideas. Furthermore, the identity of the originators of the materials contained in the country field submissions are not shown. In fact, the submissions are not actually printed until after complete review by both the mission involved and AID/Washington; thus, the published country field submissions actually represent the Agency's views, rather than any identifiable individual or group of individuals.

Therefore, I must again request that a copy of the FY 1973 Country Field Submission for your East Asia Regional Program be provided to this subcommittee. You must realize that without free and unrestricted access to all personnel and records of AID, this subcommittee is seriously handicapped in carrying out its oversight responsibilities over the vast amounts of taxpayers' monies which are appropriated to and expended by the Agency for International Development.

I sincerely hope that you will see fit to provide the document requested to this subcommittee at an early date.

With kind regards,  
Sincerely,

WILLIAM S. MOORHEAD,  
Chairman.

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

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

The CHAIRMAN. The Clerk will read.

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

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 389]

Arends	Crane	Griffiths
Ashley	Diggs	Gubser
Badillo	Esch	Gunter
Blackburn	Eshleman	Hanna
Blatnik	Evans, Colo.	Hawkins
Bolling	Fish	Hébert
Burke, Calif.	Fisher	Heckler, Mass.
Camp	Fraser	Jarman
Chisholm	Fuqua	Jones, Okla.
Clark	Gettys	Landgrebe
Coughlin	Gray	Landrum

Leggett	Patman	Steed
Lott	Regula	Stephens
Melcher	Reid	Thompson, N.J.
Milford	Roe	Walsh
Mills, Ark.	Rooney, N.Y.	Winn
Mitchell, Md.	Sandman	
Murphy, N.Y.	Seiberling	

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. 9360, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 381 Members recorded their presence, 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 Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mutual Development and Cooperation Act of 1973".*

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

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. GROSS. Mr. Chairman, we are back once more in the bargain basement of the store operated for foreigners by the House Foreign Affairs Committee.

And the clerks, as represented by a majority of the members of the committee, are just as adept and carefree as ever at handing out the store's merchandise.

It makes no difference that the store is hopelessly in debt and facing bankruptcy. Other people's money is invested in the merchandise, say the clerks, so let us get rid of it. And what better place than the outstretched, upturned palms of assorted foreigners.

It makes no difference that when the bargain basement was first opened to foreigners about 1947, it was supposed to hand out about \$25 billion in the following 5 years and then close its doors. Instead, the doors are still open and some \$225 billion have been sluiced down the drain of so-called foreign aid—a mighty contribution to the deficits, debt, and inflation that is driving this country ever nearer to financial collapse.

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

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

Mr. PASSMAN. The amount is \$249.9 billion, over a quarter of a trillion dollars net on foreign aid since its inception.

Mr. GROSS. I thank my friend from Louisiana. I simply wanted to be conservative in my statement.

The foreign handout programs of the past and present are living and breathing proof that in this little world of make-believe known as Washington, D.C., there is nothing so permanent as a temporary program, especially if it involves the spending of billions.

But putting first things first, the distinguished chairman of the House Foreign Affairs Committee, our good Dr. MORGAN, returned from his journey to China and promptly issued a publicity

release in which he extolled the virtues of the pending bill.

Whether it was the result of 10-course dinners, a demonstration of acupuncture or the warmth of our new-found Communist friends I do not know. But he said, among other things, that—

The bipartisan Committee action offers this new approach in the foreign assistance authorization with a far-reaching overhaul of our system for helping developing countries.

As we say in the minority report, the most "far reaching change" made by this bill is to change the title from "Foreign Assistance Act" to "Mutual Development and Cooperation Act of 1973."

It is an old and shopworn gimmick in Congress to change and sugar-coat the title of a program that has fallen into disrepute to the point that it just might be scuttled.

It would have been more meaningful if this had been labeled the "Foreign Assistance Subsidy Act of 1973 and the Years to Come." There is something for everybody in the bill. If any group is omitted from the subsidy list it is simply an oversight. The omission was not deliberate.

Yes, there is something for almost everybody from Ouagadougou to Timbuktu in this bill with the possible exception of India. There, after spending \$10 billion on assorted handout programs, the Indian Government has invited Uncle Sucker to pack his foreign aid money bags and get out.

Included in the loss will be a multi-million dollar complex of apartments and offices built in New Delhi only 3 or 4 years ago to house the 300 or more foreign-aiders whose mission it was to dispense the billions. What the Indian Government will do with the modern apartments and offices is not known. Perhaps the apartments will be converted to sanctuaries for sacred monkeys. In any event they stand as a testimonial to the stupidity of U.S. officials who have long been on notice that they would be tolerated only as long as they picked the pockets of American taxpayers to grease Indian palms.

But the \$10 billion failure in India is only one in the long list of failures around the world that have left U.S. checkbook diplomacy a shambles. It would be interesting to know how much the State Department and White House have spent on brooms in the last 20 years to sweep foreign aid failures under the rug.

A typical example is the regional West African poultry project set up in Mali, Senegal, and Mauritania. Instead of fulfilling its purpose of providing low-cost poultry to the natives of those countries it became a textbook on how to squander money.

The General Accounting Office reports it had considerable difficulty in its investigation because AID records were scanty at best and often simply did not exist. It found, however, that in Mali, thousands of chicks had to be deliberately destroyed because there was no feed for them.

In Mauritania the GAO found band saws, planers, and lathes that had been shipped there in connection with the poultry project even though there was no

need for them. Moreover there was no electricity at the site. Even though local power had been brought in, it would have been 50 cycle and the tools required 60-cycle current. GAO also said it found welders and accessories at the hatcheries that had never been used because there was nothing to weld.

Also, in Mauritania, there was a feed mixer and hammermill that had never been used and a variety of other imported equipment, all having the wrong specifications for the project.

In Mali, the GAO found a 50-ton platform scale still in its crate after having been shipped in a year and a half previously. Also, in Mali the GAO found the AID's experts had purchased and imported a substantial amount of 3-foot fence when nothing less than 6-foot fencing was required.

From the GAO report it develops that Tuskegee Institute obtained from AID a sole-source contract to supervise this hatchery-poultry project, and it further develops that having catered to Tuskegee, AID was doing little more than providing a gravy train for a number of Tuskegee personnel who proceeded to take junkets back and forth across the Atlantic—junkets that AID itself said served no useful purpose. And the GAO agreed.

But the congressional advocates of more and better foreign giveaway programs may be of good cheer. Flush with success in having fouled up the chicken project, AID officials have teamed up with Robert Strange McNamara's polished giveaway outfit, the World Bank, in a handout of \$17 million for a road building project in Mali. Some use may yet be found for that 50-ton platform scale that has rested in its crate in Mali for at least a year and a half.

Meanwhile, around the world the value of the once mighty dollar is steadily being shredded and foreigners, watching us trying to police and finance the rest of the world, are becoming convinced that we are self-anointed dupes.

Loaded with more debt than the rest of the world combined and with inflation, spawned out of governmental mismanagement and spending beyond means, eating into the very vitals of the Nation, they can only view with disbelief the softheadedness that makes possible even the consideration of this \$3 billion foreign handout.

Congress has already taken the citizens of this country on too many foreign aid joyrides. It is time to take the blank checks away from the White House and State Department. Instead of more failures at trying to buy our way around the world it is time for the poobahs on Pennsylvania Avenue and in Foggy Bottom to return to hard nosed diplomacy in foreign affairs.

This bill should be drastically reduced. Failing in that it should be defeated.

AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYMMS: Page 1, line 3, insert "(a)" after "That".

Page 1, after line 4, insert the following:

(b) Notwithstanding any other provision of this Act or any other law, each authoriza-

tion of appropriations contained in this Act (including each authorization of appropriations which is extended, renewed, or otherwise effectuated by any amendment to other law contained in this Act) is hereby reduced by an amount equal to 2 percent of the amount which, but for this subsection, would be so authorized to be appropriated.

Mr. SYMMS. Mr. Chairman, as we well all know, the saying goes "everybody needs milk." My amendment simply means that they will still be able to have 2-percent milk, but we will just cut out some of the fat in this bill.

I would like to share with my colleagues this morning an article that came from the Cottonwood Chronicle in Cottonwood, Idaho:

PRICE OF GOVERNMENT IS UP, TOO

What would you guess, if someone asked you to name the single category of goods or services that Americans spend the most on? Food? That would be a popular guess, right now. Or perhaps housing?

Well, get ready for a shock. In 1971, we spent a total of \$332.6 billion to purchase food, clothing, housing and automobiles. The same year, we spent \$338.5 billion on local, state and federal government.

For some reason, only the Federal Government shows up in debate over "national priorities." We discuss the federal budget as though it accurately reflects the way all public funds are allocated. We watch the growth of the federal government as if it were the only government in the country.

You can overlook a lot with that kind of fixation.

WHERE THE ACTION IS

Consider growth, for example. From 1954 to the present, our Gross National Product—the value of all the goods and services we produce in a year—has grown 24 percent. Over that same period, the federal budget has grown 280 percent. And the state and local budgets have soared 569 percent!

I will not belabor the point, and simply say that my amendment offers the Members of the House the chance to chop out \$60 million from the authorization in this bill, to reduce the bill from what it is now. And then, depending on what amendments may be offered and adopted, this would then affect them with a cut of 2 percent.

I believe the amendment deserves the consideration of the House. I think the taxpayers of our country will appreciate such an opportunity to chop out \$60 million.

Mr. Chairman, I would like to associate myself also with the remarks made by the gentleman from Iowa (Mr. Gross) who preceded me in the well.

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

Mr. SYMMS. I yield to the gentleman from Michigan.

Mr. HUBER. Mr. Chairman, I wish to associate myself with the remarks made by the gentleman from Idaho (Mr. Symms). I appreciate the fact that someone is trying to put in some constructive reductions in the operation of our foreign giveaway program. I am delighted that the gentleman from Idaho is showing initiative in this area.

Mr. SYMMS. Mr. Chairman, I thank the gentleman from Michigan for his remarks.

Mr. Chairman, I would just like to repeat again to the Members of the Committee of the Whole that my amendment offers the opportunity for a 2-percent

cut in this program so that they could still have milk, but just low-fat milk.

I would appreciate the support of the Members on my amendment.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Idaho (Mr. Symms).

Mr. Chairman, as the gentleman from Idaho stated, this is a 2-percent cut across the board.

The gentleman offered a similar amendment yesterday to the impoundment bill to affect the total budget. I think that amendment had a lot more merit to it than this amendment. In my opinion, this amendment does not make very much sense. It would cut indiscriminately such programs as the U.N. Children's Fund, the Narcotics Fund, and other vital programs.

If the gentleman from Idaho has any specific information concerning any particular, individual program, and could make a case to cut that program 2 percent or more, then I believe he should offer such information and an amendment at the proper time. But I do not believe that a meat ax approach of cutting everything across the board is the correct method. I think this kind of amendment really wipes out the function of each congressional committee. If we are going to legislate like this then we might as well abolish all the committees, including the Committee on Appropriations, and come in here and make cuts by percentages.

Because I have sat through hearings on these programs I am sure that a case could be made that some individual items could be cut by 2 percent. The committee in its wisdom cut the Military Grant program by 15 percent, and cut the Military Sales program by almost 12 percent. But I do not believe we should approve a 2-percent across-the-board cut, such as this amendment would require, and cut all of the programs across the board.

I think that is the wrong way to legislate.

If we were to adopt such a shotgun approach, I think it would be a serious mistake.

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

Mr. MORGAN. I will be glad to yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, I would ask the gentleman from Pennsylvania what the committee recommended for a reduction between what the administration proposed and what the committee has submitted?

Mr. MORGAN. In reply to the inquiry of the gentleman from Michigan, let me say that the total reductions from the executive branch request was \$177 million. However, there was some additional money added by the committee as we went along. Funding was increased for narcotics control, for example, so that the total net reduction is around \$103 million.

Mr. GERALD R. FORD. About \$103 million?

Mr. MORGAN. Yes, \$103 million, below the executive request.

Mr. GERALD R. FORD. Those cuts



were made specifically in programs where the committee, after hearings, decided cuts should be made?

Mr. MORGAN. That is correct.

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

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, I was startled to learn from the newspapers this morning as we prepared to move into our annual debate about how many billions of our taxpayers' dollars we will give away in the name of foreign aid that the Agency for International Development is giving away to India a \$6 million U.S.-owned luxury building complex known as the USAID-India "south-side staff department."

In cabling the State Department that it must stick by the AID agreement made last April to give this building to India, Ambassador Daniel P. Moynihan said, "I quite understand that it might appear that we are off our rocker" in going through with the deal, but that "the United States keeps its word."

I find myself in agreement with the Ambassador on both counts. It does seem to me that AID is off its rocker on this transaction—as it has been off its rocker in countless other transactions through the years. But I also feel that our Government must keep its word.

What puzzles me is why we ever promised to give this costly and luxurious building away. What also puzzles me is why we ever allowed AID to build the structure.

To illustrate the reason for my doubts about the building, I will take the liberty of quoting verbatim from Ambassador Moynihan's cable to the State Department his description of the structure, and its uselessness to our Government:

I am sorry about the South Building. Once every two weeks or so I take the family down there, drop \$5 (my limit) in the stateily row of silent slot machines, drink a few cold beers in the Paul Revere Cocktail Lounge and then dine (best Chinese cuisine in town) in the Williamsburg Dining Room. The place is marvelous except that we are the only people there and the waiters and the kids say it is kind of spooky.

It we could turn it over to the Smithsonian it would make a marvelous memorial to a certain kind of mentality, along with say, Camranh Bay [in South Vietnam]. But that really is not practical, is it?

If anybody wants to get upset it should be the people who built the damn place in the first instance. Nothing anywhere quite so brilliantly embodies Parkinson's Law to the effect that institutions build their great buildings at just the moment their decline sets in.

By the end of the year we will only have eight AID people in the whole of the AID mission. I do not need it [the building complex] and so I have got rid of it like we agreed to do. Let this sad ending be a lesson to the next U.S. administration tempted by an edifice complex.

The Ambassador's last point is well taken. But it should be addressed to the Congress rather than the State Department, because so long as we have a foreign aid administration, by whatever name it may be called, the taxpayers will have to pay for this sort of asinine operation.

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

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

Mr. PASSMAN. For the benefit of the committee, the Members must understand that what we are considering today is the economic and military assistance program only under the Foreign Assistance Act. There are 28 different items in the foreign aid and assistance program, and the total request in the budget for foreign aid and assistance amounts to \$18,003,191,000. Of course, that is not taking into account another section of this bill that is a new spigot, where the total is \$1,250,000,000 a year for the next 4 years; so really, if that total is added to the total requests for foreign aid and assistance, the aggregate total is \$19,253,000,000. I wanted to bring that out so the Members could understand it.

Mr. MORGAN. Mr. Chairman, I fail to yield further. The gentleman is not stating the facts. Those amounts are not in this bill.

Mr. PASSMAN. I will tell the gentleman one thing: I am telling the truth.

Mr. MORGAN. Mr. Chairman, the gentleman is talking about his own bill which comprises the Export-Import Bank and a lot of other agencies not considered in this bill.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield further, I qualified my statement by saying that under this bill we are considering only the economic and military assistance program, which is one of 28 spigots contained in the various bills that are presented to the Congress.

Mr. MORGAN. Title I of the gentleman's appropriations bill, but title I of this bill is a lot different.

Mr. PASSMAN. I qualified it, so admit it, my good friend; do not be afraid to admit what the total amount of the total foreign aid request is.

Mr. MORGAN. The total amount of the request is not \$19 billion; it is \$2.8 billion.

Mr. Chairman, I fail to yield further.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The question was taken; and on a division (demanded by Mr. SYMMS) there were—ayes 23, noes 33.

#### RECORDED VOTE

Mr. SYMMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHANGE OF TITLE OF ACT AND NAME OF AGENCY  
SEC. 2. The Foreign Assistance Act of 1961 is amended as follows:

(a) In the first section, strike out "this Act may be cited as 'The Foreign Assistance Act of 1961'" and insert in lieu thereof "this Act may be cited as the 'Mutual Development and Cooperation Act'". The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) Strike out "Agency for International Development" each place it appears in such Act and insert in lieu thereof in each such

place "Mutual Development and Cooperation Agency".

#### POLICY; DEVELOPMENT ASSISTANCE AUTHORIZATION

SEC. 3. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(a) In the chapter heading, immediately after "CHAPTER 1—POLICY" insert "; DEVELOPMENT ASSISTANCE AUTHORIZATIONS".

(b) In section 102, relating to statement of policy, insert "(a)" immediately after "STATEMENT OF POLICY.—", and at the end thereof add the following:

"(b) The Congress further finds and declares that, with the help of United States economic assistance, progress has been made in creating a base for the peaceful advance of the less developed countries. At the same time, the conditions which shaped the United States foreign assistance program in the past have changed. While the United States must continue to seek increased cooperation and mutually beneficial relations, with other nations, our relations with the less developed countries must be revised to reflect the new realities. In restructuring our relationships with those countries, the President should place appropriate emphasis on the following criteria:

"(1) Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.

"(2) Future United States bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: food production, rural development, and nutrition; population planning and health; education, public administration, and human resource development.

"(3) United States cooperation in development should be carried out to the maximum extent possible through the private sector, particularly those institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.

"(4) Development planning must be the responsibility of each sovereign country. United States assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.

"(5) United States bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest majority of people and their capacity to participate in the development of their countries.

"(6) United States development assistance should continue to be available through bilateral channels until it is clear that multilateral channels exist which can do the job with no loss of development momentum.

"(7) Under the policy guidance of the Secretary of State, the Mutual Development and Cooperation Agency should have the responsibility for coordinating all United States development-related activities."

(c) At the end thereof, add the following new sections:

"SEC. 103. FOOD AND NUTRITION.—In order to prevent starvation, hunger, and malnutrition, and to provide basic services to the people living in rural areas and enhance their capacity for self-help, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development, and nutrition. There are authorized to be appropriated to the President for the purposes of this

section, in addition to funds otherwise available for such purposes, \$300,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 104. POPULATION PLANNING AND HEALTH.—In order to increase the opportunities and motivation for family planning, to reduce the rate of population growth, to prevent and combat disease, and to help provide health services for the great majority, the President is authorized to furnish assistance on such terms and conditions as he may determine, for population planning and health. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$150,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 105. EDUCATION AND HUMAN RESOURCE DEVELOPMENT.—In order to reduce illiteracy, to extend basic education, and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration, and human resource development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$115,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 106. SELECTED DEVELOPMENT PROBLEMS.—The President is authorized to furnish assistance on such terms and conditions as he may determine, to help solve economic and social development problems in fields such as transportation and power, industry, urban development, and export development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$93,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 107. SELECTED COUNTRIES AND ORGANIZATIONS.—The President is authorized to furnish assistance on such terms and conditions as he may determine, in support of the general economy of recipient countries or for development programs conducted by private or international organizations. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$60,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 108. APPLICATION OF EXISTING PROVISIONS.—Assistance under this chapter shall be furnished in accordance with the provisions of title I, II, VI, or X of chapter 2 of this part, and nothing in this chapter shall be construed to make inapplicable the restrictions, criteria, authorities, or other provisions of this or any other Act in accordance with which assistance furnished under this chapter would otherwise have been provided.

"SEC. 109. TRANSFER OF FUNDS.—Notwithstanding the preceding section, whenever the President determines it to be necessary for the purposes of this chapter, not to exceed 15 per centum of the funds made available for any provision of this chapter may be transferred to, and consolidated with, the funds made available for any other provision of this chapter, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 25 per centum of the amount of funds made available for such provision."

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 3, which extends from line 9 on page 2 to line 16 on page 7, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

#### PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Mr. Chairman, is that page 7 or page 4?

Mr. MORGAN. That is page 7, section 3.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross:

On page 4 strike all of lines 17 through 25, and on page 5 all of lines 1 and 2 and insert the following:

#### FOOD AND NUTRITION

Sec. 103. In order to prevent starvation, hunger and malnutrition, and to provide basic services to the people living in rural areas and enhance their capacity for self-help, there are authorized to be appropriated for the purposes of this section, in addition to funds otherwise available for such purposes, \$150,000,000 for the fiscal year 1974."

Mr. GROSS. Mr. Chairman, on yesterday the House approved a bill dealing with the impoundment of funds, and there was much discussion at the same time about the erosion of the powers of Congress, in particular the delegated powers given to the President by Congress.

My amendment seeks to do two things. First, it strikes out the delegated power to the President. Let me read the pertinent provision in the bill on page 4 beginning on line 17, which provides—

The President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development, and nutrition. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$300,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

The President can impound the \$300 million if he wants to do so in the absence of the anti-impoundment bill, and if ever there was a delegation to a President on the part of Congress; delegation of authority to spend as he sees fit, this is it. This is the first of several such provisions in this bill, and I intend to offer amendments to several of them to give the Members in the House of Representatives, who have been moaning, groaning, and bellyaching about delegated powers to the President and his opportunity for the impoundment of funds, to get on the record and prove that they mean what they say.

Mr. Chairman, I do one other thing with my amendment. I cut this \$300 mil-

lion exactly in half, to \$150 million. I would like to cut it out altogether, but let this be the start of phasing out foreign handouts and quit this sad and sorry business of trying to bankroll the rest of the world.

This section deals with the subject of food and nutrition. The Members had better believe that more and more they are going to hear from the people of this country with respect to food and nutrition; the ability to buy food, to feed their children. It is about time we cut items of this kind and dedicated the savings, if necessary, to our own people.

Mr. Chairman, I urge the adoption of my amendment.

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

Mr. Chairman, as the gentleman from Iowa has stated, there are two purposes to this amendment. We would strike the reference of the authorization to the President. I might say that the gentleman from Wisconsin also is concerned about some of the delegation of authority of the Congress to the executive branch, but I submit that the gentleman's amendment does not indicate to whom the authorization of money in this act is made and how it is going to be administered.

The gentleman from Iowa full well knows that this reference in the committee bill are "words of art" of legislation, that the authorization is made to the President, for his direction, to channel it to an agency for administration. That is the only reason why we have the reference in the authorization to the President.

As I said earlier, the amendment of the gentleman from Iowa does not make clear who will administer even the money he has admitted is necessary, although he would cut it in half. That is the other half of his amendment.

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

Mr. ZABLOCKI. I yield to the gentleman from Iowa.

Mr. GROSS. We are wasting an awful lot of money on the administration of this AID agency if there is no one over there competent to administer the money.

Mr. ZABLOCKI. The responsible way to legislate is not to delegate the authority to no one but to authorize it to the President and the executive branch. The gentleman does not say to whom he would authorize the funds.

Let me deal with the second half of the gentleman's amendment. What he would do, in fact, with respect to starvation and the need for nutrition, is he would prolong the need for assistance for a longer period of time. There is no question that the amount the committee bill provides may not be adequate. It is indeed inadequate to meet the need. But what the gentleman from Iowa would do is deprive the poor people from meeting their own needs as soon as possible by an indiscriminate cutting and slashing.

As our chairman says, this is the "meat ax approach," to cut the amount in half. This is an irresponsible way to try to obtain what the gentleman and we all want; that is, for the countries in the developing areas, with the very poorest



people, to have the ways and means some day to become viable and feed themselves. The gentleman's amendment would postpone that day and promote starvation today.

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

Mr. ZABLOCKI. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I should like to suggest that we should keep the \$300 million in the area of food and nutrition. I believe that would be a minimum amount we should be authorizing in this bill.

With respect to where the money should go, I would suppose, if we are authorizing it, we are authorizing it for use by the executive branch of our Government. And I would suppose the best place and the most responsible individual in the executive branch is the President. So I believe our language, to authorize this money to the President, is entirely appropriate. Dropping that language might add confusion. It certainly would not clarify anything.

That certainly would not give the Congress a greater control, if we want the executive branch to utilize the money for these purposes.

I hope we will defeat this amendment and other amendments similar to it.

Mr. ZABLOCKI. I thank the gentleman for his contribution.

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

Mr. ZABLOCKI. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. The gentleman from Iowa spoke about a shortage of food in this country. The language in the bill is aimed at greater agricultural development and productivity in the recipient countries, so world needs will not cause a shortage here.

Mr. ZABLOCKI. We can cite the success we have had in this area, with the miracle rice and wheat production, which increased productivity because of the U.S. support for fertilizers and irrigation. This section is the last place the gentleman should suggest cutting the amount. The amount the committee suggests, \$300 million, is really a fair amount.

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

Mr. ZABLOCKI. I yield to the gentleman from Iowa.

Mr. GROSS. I did not say anything about a shortage of food in this country. I was talking about a shortage of money to buy food on the part of the heads of households in this country if inflation continues. And this is the kind of bill that generates more and more inflation, as the gentleman from Wisconsin well knows.

Mr. ZABLOCKI. I am sure if the gentleman from Iowa will read the committee report and the statements beginning on page 19 and continuing through 20 and 21, he will have second thoughts about presenting the amendment.

I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross).

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 17, noes 36.

So the amendment was rejected.

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

The CHAIRMAN. The Chair will count. Eighty Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 390]

Arends	Gibbons	Murphy, N.Y.
Bergland	Green, Pa.	O'Hara
Blackburn	Gunter	Railsback
Blatnik	Hanna	Rees
Brown, Mich.	Hansen, Wash.	Regula
Camp	Hastings	Reld
Clark	Hawkins	Roe
Cleveland	Hébert	Sandman
Conlan	Hogan	Schneebell
Coughlin	Jarman	Stanton
Crane	Landgrebe	James V.
Dellenback	Lott	Stelger, Wis.
Diggs	Martin, Nebr.	Stephens
Fisher	Meeds	Wilson
Fraser	Melcher	Charles H., Calif.
Frei	Millford	Winn
Fuqua	Mills	Zion
Gettys	Montgomery	

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. 9360, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 382 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 5, strike all of lines 3 through 14 and insert the following:

POPULATION PLANNING AND HEALTH

"Sec. 104. In order to increase the opportunities and motivation for family planning, and to reduce the rate of population growth, there are authorized to be appropriated for the purposes of this section, in addition to funds otherwise available for such purposes, \$75,000,000 for fiscal year 1974."

Mr. GROSS. Mr. Chairman, this is another opportunity for the Members to make known their positions on the business of impoundment of funds and delegations of power to the President. My amendment would strike out his language:

The President is authorized to furnish assistance on such terms and conditions as he may determine, for population planning and health. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes.

This simply means that if we leave this language in the bill, he can impound or spend the money as he sees fit.

I wish every taxpayer in the country could read this yellow book, entitled "Current Technical Service Contracts"

which has been issued by the foreign aid outfit. The book contains 1,217 contracts of one kind or another involving study contracts in 59 countries, and the contracts amount to \$764,114,803. Sixty-five of the contracts, totaling more than \$127 million, have been dispensed around the globe for studies involving family planning; for family limitation procedures and motivations, and there is research on once-a-month birth control pills and other contraceptive devices. It is for these purposes that most of this money is to be expended.

Witness the contract to the Westinghouse Electric Corp. in the amount of \$440,343 for conducting, and I quote:

Global survey in connection with commercial distribution of contraceptives and make recommendations for a formal marketing program.

Those Members who have any interest in family planning might like to take a further look at this before they vote. As I said before, the amendment would cut to \$75 million the \$150 million proposed in this bill, and limit it to fiscal year 1974 instead of \$300 million for this purpose over the next 2 years.

Mr. Chairman, I urge the adoption of my amendment.

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

Mr. Chairman, the gentleman's amendment takes this section, which is on population growth programs, cuts out the President's authority and reduces it to \$75 million. The gentleman speaks about impoundment, but he is really interested in the reduction of the \$75 million.

Mr. Chairman, this is one of the most urgent parts of the program. I want to tell the Members that a week ago Monday I returned from a very overpopulated country with Congressmen MAILLIARD, McFALL and PETTIS, when we visited the People's Republic of China. I was in a country of 850 million people. If anyone wants to live in a country like that where the streets are so crowded people cannot even walk down the street, but must walk in the middle of the road, population control is very, very important.

If we come to zero population in the United States by the year 2000, zero population growth, that is, and the world comes to zero population growth by the year 2040, there are going to be 15 billion people on this earth. But just think, what will happen if we do not move ahead with some kind of population control?

We are a country which spends about \$9.7 billion on our own health and population programs. If we do not move and help in the world with population control, I would hate to be around in the year 2000 or 2040 when this earth bogs down with 15 billion people. Therefore, this is a very important part of foreign assistance. It amounts to \$150 million and it is vitally needed. Let us get this program moving forward.

Mr. Chairman, I hope this House will move along and defeat the gentleman's amendment.

The CHAIRMAN. The question is on

the amendment offered by the gentleman from Iowa (Mr. Gross).

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 27, noes 41.

## RECORDED VOTE

Mr. GROSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 131, noes 271, not voting 31, as follows:

[Roll No. 391]

## AYES—131

Alexander	Gaydos	O'Brien
Andrews, N.C.	Ginn	Parris
Andrews, N. Dak.	Gonzalez	Pickle
Archer	Goodling	Powell, Ohio
Ashbrook	Grasso	Price, Tex.
Bafalis	Gross	Quillen
Baker	Grover	Rarick
Beard	Haley	Rinaldo
Bell	Hammer-	Roberts
Bennett	schmidt	Robinson, Va.
Bevill	Hanrahan	Roncallo, N.Y.
Biaggi	Harsha	Rose
Bray	Hechler, W. Va.	Rousselot
Brinkley	Helstoski	Runnels
Broyhill, Va.	Hinshaw	Ruth
Burke, Mass.	Hogan	St Germain
Burleson, Tex.	Huber	Satterfield
Burlison, Mo.	Hudnut	Scherie
Byron	Hungate	Shoup
Carney, Ohio	Hunt	Shuster
Ciancy	Hutchinson	Skubitz
Clausen, Don H.	Ichord	Slack
Claawson, Del	Johnson, Colo.	Snyder
Cochran	Jones, N.C.	Spence
Collier	Jones, Tenn.	Stanton
Collins, Tex.	Kazen	J. William
Conlan	Keating	Stelman
Cotter	King	Steiger, Ariz.
Cronin	Kuykendall	Stuckey
Daniel, Dan	Landrum	Symms
Daniel, Robert W., Jr.	Long, La.	Taylor, Mo.
Davis, Ga.	Lujan	Taylor, N.C.
Davis, S.C.	McCollister	Teague, Tex.
Denholm	McKay	Thornton
Dent	Maraziti	Waggonner
Devine	Martin, Nebr.	Ware
Dickinson	Martin, N.C.	Whitten
Dorn	Mathis, Ga.	Wiggins
Downing	Mayne	Wylie
Duncan	Miller	Young, Fla.
Eshleman	Minish	Young, S.C.
Flowers	Minshall, Ohio	Zablocki
Flynt	Mizell	Zion
	Natcher	Zwach
	Nichols	
	Nix	

## NOES—271

Abdnor	Cederberg	Findley
Abzug	Chamberlain	Fish
Adams	Chappell	Flood
Addabbo	Chisholm	Foley
Anderson, Calif.	Clark	Ford, Gerald R.
Anderson, Ill.	Clay	Ford
Annunzio	Cleveland	William D.
Armstrong	Cohen	Forsythe
Aspin	Collins, Ill.	Fountain
Badillo	Conable	Fraser
Barrett	Conte	Frelinghuysen
Bergland	Conyers	Frenzel
Blester	Corman	Frey
Bingham	Coughlin	Fröchlich
Boggs	Culver	Fulton
Boland	Daniels	Glaimo
Bolling	Dominick V.	Gibbons
Bowen	Danielson	Gilman
Brademas	Davis, Wis.	Goldwater
Brasco	de la Garza	Gray
Breaux	Delaney	Green, Oreg.
Breckinridge	Dellenback	Green, Pa.
Brooks	Dellums	Griffiths
Broomfield	Dennis	Gubser
Brotzman	Derwinski	Gude
Brown, Calif.	Diggs	Guyer
Brown, Mich.	Dingell	Hamilton
Brown, Ohio	Drinan	Hanley
Broyhill, N.C.	Dulski	Hansen, Idaho
Buchanan	du Pont	Harrington
Burger	Eckhardt	Harvey
Burke, Calif.	Edwards, Ala.	Hays
Burke, Fla.	Edwards, Calif.	Heckler, Mass.
Burton	Ellberg	Heinz
Butler	Erlenborn	Henderson
Carey, N.Y.	Esch	Hicks
Carter	Evans, Colo.	Hillis
Casey, Tex.	Evins, Tenn.	Holt
	Fascell	Holtzman

Horton	Moss	Sisk
Hosmer	Murphy, Ill.	Smith, Iowa
Howard	Murphy, N.Y.	Smith, N.Y.
Jarman	Myers	Staggers
Johnson, Calif.	Nedzi	Stark
Johnson, Pa.	Nelsen	Steed
Jones, Ala.	Obey	Steele
Jones, Okla.	O'Hara	Steiger, Wis.
Jordan	O'Neill	Stokes
Karth	Owens	Stratton
Kastenmeier	Fassman	Stubblefield
Kemp	Patten	Studds
Ketchum	Pepper	Sullivan
Kluczynski	Perkins	Symington
Koch	Pettis	Talcott
Kyros	Peyser	Teague, Calif.
Latta	Pike	Thompson, N.J.
Leggett	Poage	Thomson, Wis.
Lehman	Podell	Thone
Lent	Preyer	Tiernen
Litton	Price, Ill.	Towell, Nev.
Long, Md.	Pritchard	Treen
McClary	Quie	Udall
McCloskey	Rallsback	Van Deerlin
McCormack	Randall	Vander Jagt
McDade	Rangel	Vanik
McEwen	Rees	Veysey
McKinney	Reid	Vigorito
McSpadden	Reuss	Waldie
Macdonald	Rhodes	Walsh
Madden	Riegle	Wampler
Madigan	Robison, N.Y.	Whalen
Mahon	Rodino	White
Mailliard	Rogers	Whitehurst
Mallory	Roncallo, Wyo.	Widnall
Mann	Rooney, N.Y.	Williams
Mathias, Calif.	Rooney, Pa.	Wilson, Bob
Matsunaga	Rosenthal	Wilson
Mazzoli	Rostenkowski	Charles H., Calif.
Meeds	Roush	Wilson, Charles, Tex.
Melcher	Roy	Wolf
Metcalfe	Roybal	Wright
Mezvinsky	Ruppe	Wyatt
Mink	Ryan	Wyder
Mitchell, Md.	Sarasin	Wyman
Mitchell, N.Y.	Sarbanes	Yates
Moakley	Saylor	Yatron
Mollohan	Schneebeli	Young, Alaska
Montgomery	Schroeder	Young, Ga.
Moorhead, Calif.	Sebellius	Young, Ill.
Moorhead, Pa.	Selberling	Young, Tex.
Morgan	Shipley	
Mosher	Shriver	
	Sikes	

## NOT VOTING—31

Arends	Hanna	Mills, Ark.
Ashley	Hansen, Wash.	Patman
Blackburn	Hastings	Regula
Batnik	Hawkins	Roe
Camp	Hibert	Sandman
Crane	Holifield	Stanton
Donohue	Landgrebe	James V.
Fisher	Lott	Stephens
Fuqua	McFall	Ullman
Gettys	Michel	Winn
Gunter	Milford	

So the amendment was rejected.

The result of the vote was announced as above recorded.

## AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 5, strike all of lines 15 through 25 and insert the following:

## "EDUCATION AND HUMAN RESOURCE DEVELOPMENT

"Sec. 105. In order to reduce illiteracy and increase manpower training skills, there are authorized to be appropriated for the purposes of this section, in addition to funds otherwise available for such purposes, \$75,000,000 for fiscal year 1974."

Mr. GROSS. Mr. Chairman, section 105 of the bill to which this amendment is directed deals with so-called education and human resource development. This amendment would, as did the previous amendment, strike the proviso in the language of the bill which would give the President the power to impound the money or spend it on his terms and conditions. It would cut \$40 million off of the \$115 million for this purpose, and it would limit the authorization to 1 year,

which would be another prospective saving.

We have need in this country for educational funds and for human resource development.

Mr. Chairman, I offer the House this additional opportunity to restore a modicum of fiscal sanity to this foreign giveaway bill.

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Iowa. The same reason that was given earlier to the first amendment offered by the gentleman from Iowa applies to this amendment as far as striking the proviso for the authority given to the President. This amendment, I may say to the gentleman, shows that he may be having second thoughts. He did not choose to cut the amount in half as he did with the other amendments he has proposed.

In this particular authorization we must realize that because of the population growth, the need for education has increased. The need for stamping out illiteracy and providing job skills requires the amount that the committee bill provides, \$115 million in 1974 and fiscal 1975.

The gentleman from Iowa has given some examples of failures in the AID programs in the past. Let me cite some of the programs we can brag about in this area of education and human resource development.

For example, in Guatemala, as is stated in our committee report on page 26, the children in four rural pilot schools are planting vegetable gardens and selling the produce while learning to read and write at the same time.

In Korea an elementary middle school program, supported by a U.S. loan—not a grant but a loan—started with an analysis organized and conducted by the Korean Ministry of Education with the help of Florida State University, using advanced systems techniques.

I might say some of the techniques are radio and television networks so that the Koreans can use fewer teachers and get to more pupils with this new type of teaching. I have seen such programs in Brazil and Colombia, and they do pay off. Education is given to more children with these programs of assistance.

To go on with another success story, in Kenya, for example, 200 printers are being trained in modern printing methods through cooperation of local labor unions.

Work in the general field of public administration can also help provide skills which are in very short supply in the developing countries.

AID-supported programs have strengthened business schools in Nicaragua, Korea, Nigeria, Peru, Colombia, Brazil, and the Philippines.

During the past 10 years some 10,000 persons from developing countries have come to the United States or gone to other countries for training in business and public administration. And when they returned to their countries, they have implemented their learning and improved their school systems, public administration, and business management.

I trust and hope that the amendment offered by the gentleman from Iowa will be defeated.



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

Mr. Chairman, as the gentleman from Wisconsin has noted, due to population increases there are today 100 million more illiterate people than there were 20 years ago. Further, although the low-income countries have doubled the size of their school systems in the past 10 years, it is believed that there are more children for whom even elementary education is unavailable than there were a decade ago.

It has become clear that these countries cannot afford universal education as known in the West, and that the academic patterns of the developed countries are inappropriate in the developing countries.

Those nations must develop low-cost, innovative systems of education to roll back illiteracy and provide their people with the requisite skills to participate in the process of development.

The United States can assist the developing nations with designing and testing new educational systems and concepts aimed at reaching larger numbers of people at lower cost.

Specifically, what do we have in mind for the forthcoming fiscal year? The 1974 AID program will focus on four areas: First, selective technical assistance to improve institutions and curricula; second, education systems programs based on broad involvement in the educational sector as a whole and including provision for both loans and grants.

Third, the support for education and other features, such as in the area of population.

Fourth, research and innovation to design new educational technologies and test innovative programs.

In addition to this category of education, there are funds provided in this section for human resources. These funds will be used for assistance in the area of public administration, providing critical skills which are in short supply in a great number of countries; programs are planned in such areas as taxation, business administration, and public administration.

These efforts to accelerate human resources development are critical in the overall development program. The projects funded in this category are deeply important to the recipient countries and represent an investment in their future and the future of the world.

The level of funds proposed in the House bill would permit continuation of this joint effort. These are the reasons, Mr. Chairman, that I urge defeat of the amendment.

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

Mr. Chairman, I have observed that nobody is paying very much attention to this great debate, and there are not very many people here listening to it, but it is almost impossible to make any sense out of this legislation and the way people vote on it.

My dear friend from Wisconsin (Mr. ZABLOCKI)—and he is my friend—just voted for the amendment to cut the funds in half for population control. Then, he gets up and speaks against this amendment on the grounds that we have got to have it, because of the rapidly increas-

ing population in the world. I do not know whether that seems to be any anomaly to the rest of the Members or not, but it is an anomaly to me.

It would seem to me that if we really are worried about the burgeoning population, about the so-called population explosion, that we would support the amendment or support the amount in the bill. I am not for the bill, but if there is going to be a bill, I want it to be as good as possible. I voted against the amendment offered by Mr. Gross to cut the population control funds, because I think probably, in view of the population explosion, that is one of the most important sections in the bill. However, here is one of the leading members of the committee voting to cut that and then saying, "Do not cut this because we need it."

Heavenly days, what money is in here for education is like putting a band-aid on a cancer; that is about what it amounts to. It really does not make any difference much, and I am sincere about it, whether there is any money for education, because it is such a drop in the bucket it does not amount to anything.

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

Mr. HAYS. I yield to my friend from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, the gentleman from Wisconsin would like to advise the gentleman from Ohio that I voted for the amendment to cut funds in the population control section, because I have some reservations about some of the methods they promote. This is one way of my expressing my displeasure.

Yet, I believe that there is need for some U.S. assistance in this area. The gentleman does know, however, that statistics confirm, whenever education is improved, population problems are lessened. That is why I am opposed to the \$40 million cut proposed by the gentleman from Iowa.

Mr. HAYS. Mr. Chairman, let me say that I do not mean to be critical of the gentleman or of his motives. I know his motives are the best on his vote on population control, and I know he has some reservations on others. And I share his reservations about how to spend the money.

However, yet me say to my dear friend that I have a lot of reservations about how the bureaucracy spends all the money in this bill. If the gentleman could go out in the field, as I have done, and see some of the ways that it is spent—and as the day wears on, I may give a few illustrations—his reservations surely will not be confined to the population section of the bill; I feel sure of that.

Mr. ZABLOCKI. I hope they are not. Mr. Chairman, if the gentleman will yield further, I believe the gentleman from Ohio has made an excellent point why the cut should not be made in the education program. The gentleman stated the amount of money in the bill would be like putting a band-aid on a cancer, but I submit we better have that band-aid.

Mr. HAYS. Is the gentleman in favor of any cuts except the cut in population control? I mean, he is for that; is he for any other cuts at all?

Mr. ZABLOCKI. If the gentleman had attended the committee meetings, he would know that the gentleman from Wisconsin sponsored a cut and voted for certain other cuts.

Mr. HAYS. I will be very frank to say that when I am not for something I do not spend a lot of time trying to get it through. I was not at the meeting, and I do not apologize for it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross).

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 48, noes 57.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 6, strike all of lines 1 through 11.

Mr. GROSS. Mr. Chairman, this is a very simple amendment. It strikes out \$93 million and takes with it the power delegated to the President to impound the money or spend it as he sees fit. That is all the amendment does.

This section is entitled "Selected Development Problems." Let me say that we have selected problems in this country to which we can devote every dollar of this \$93 million rather than ship it abroad to be spent on various questionable projects in foreign countries. Mr. Chairman, I urge the adoption of the amendment.

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

Mr. Chairman, the \$93 million which the gentleman seeks to strike out, as he says, is only \$93 million, but the technical purpose of it is to provide assistance on those special economic projects of transportation, power, industry and other development projects which were the focal point of ongoing development loan programs and development grant programs under the previous assistance programs. As Members know, that has all been restructured. We have just been through a discussion of several amendments which identify clearly the new thrust of this bill, of directing our assistance toward trying to help masses of people on basic problems of food, nutrition, family planning, and community development.

We would hope all that kind of financing of the infrastructure for economic development would ultimately be carried on by the multilateral institutions, but in this transition period this small amount is left in order to take care of those which the administration feels are particularly important during the period of transition.

But more is involved than that technical point. The question is: Can we afford to close our eyes to the rest of the world?

I wish it were that easy. I wish we could say, as some have suggested, that we ought not to have a Mutual Development and Cooperation Act. But we cannot.

Mr. Chairman, I wish it were just as easy to close our eyes to the reality that exists in the world that makes it necessary for us to maintain the largest Mili-

tary Establishment in the history of the world. I wish we could turn that effort all to more constructive and productive values that would be meaningful to us.

We cannot; we cannot do that, and we all know it. We cannot now turn our backs on the rest of the people in the world, any more than we could ignore our own security in this Nation. And that is what this is all about.

If the greatest number of the people of the world have major problems in securing the bare necessities of life are ignored and we as a minority group in this world, both as to affluence and otherwise, would indicate to the world in any way that we do not even have a modicum or a small amount of interest in their problems, those problems will come back to haunt us and perhaps consume us.

Mr. Chairman, we cannot deny in our own interest the small amount of money, based on one of the greatest sources of national product that the world has ever seen, spent for our own security. That is the philosophy that is involved here.

Mr. Chairman, I hope that this amendment is not agreed to, because I believe it is important that the selected development programs that are still left under the old system are maintained, so that we can make a fairly and reasonable transition to the programs under the pending bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross).

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 55, noes 52.

## RECORDED VOTE

Mr. WHALEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 203, noes 204, not voting 27, as follows:

## [Roll No. 392]

## AYES—203

Abdnor	Daniel, Dan	Hanrahan
Anderson, Calif.	Daniel, Robert W., Jr.	Harsha
Andrews, N.C.	Davis, Ga.	Hastings
Andrews, N. Dak.	Davis, S.C.	Hays
Annunzio	Davis, Wis.	Hechler, W. Va.
Archer	Delaney	Heckler, Mass.
Ashbrook	Denholm	Heinz
Bafalis	Dennis	Henderson
Baker	Dent	Hicks
Beard	Derwinski	Hinsaw
Bell	Devine	Hogan
Bennett	Dickinson	Holt
Bevill	Dingell	Huber
Bowen	Dorn	Hudnut
Bray	Downing	Hungate
Breaux	Dulski	Hunt
Brinkley	Duncan	Hutchinson
Brown, Mich.	du Pont	Ichord
Broyhill, N.C.	Edwards, Ala.	Jarman
Broyhill, Va.	Eshleman	Johnson, Colo.
Burgener	Evins, Tenn.	Jones, Okla.
Burke, Fla.	Fish	Jones, Tenn.
Burke, Mass.	Flowers	Jordan
Burleson, Tex.	Flynt	Karth
Burlison, Mo.	Fountain	Kazen
Butler	Frenzel	Keating
Byron	Frey	Kemp
Carney, Ohio	Froehlich	Ketchum
Carter	Gaydos	King
Casey, Tex.	Ginn	Kuykendall
Chappell	Goldwater	Kyros
Clancy	Gonzalez	Latta
Clawson, Del.	Goodling	Litton
Cleveland	Green, Oreg.	Long, La.
Cochran	Gross	Long, Md.
Collier	Grover	Lujan
Collins, Tex.	Haley	McCormack
Conlan	Hammer-	McDade
Cotter	schmidt	McSpadden
		Madigan
		Mann

Martin, Nebr.	Rose	Taylor, Mo.
Martin, N.C.	Roush	Taylor, N.C.
Mathis, Ga.	Rousset	Teague, Tex.
Mayne	Roy	Thone
Mazzoli	Runnels	Thornton
Melcher	Ruth	Tiernan
Miller	St Germain	Towell, Nev.
Minshall, Ohio	Sandman	Treen
Mizell	Sarasin	Veysey
Montgomery	Satterfield	Waggonner
Moorhead, Calif.	Saylor	Wampler
Myers	Scherle	White
Nichols	Schneebell	Whitehurst
O'Brien	Sebelius	Whitten
Parris	Shoup	Whitton
Passman	Shriver	Wiggins
Pettis	Shuster	Williams
Pike	Sikes	Wilson,
Poage	Skubitz	Charles H., Calif.
Powell, Ohio	Sack	Wyatt
Price, Tex.	Snyder	Wylie
Randall	Spence	Wyman
Rarick	Steele	Young, Alaska
Roberts	Steelman	Young, Fla.
Robinson, Va.	Steiger, Ariz.	Young, S.C.
Rogers	Stubblefield	Young, Tex.
Roncalio, Wyo.	Stuckey	Zion
Roncalio, N.Y.	Symms	Zwack
	Talcott	

## NOES—204

Abzug	Glaimo	Perkins
Adams	Gibbons	Peyser
Addabbo	Gilman	Pickle
Albert	Gray	Podell
Alexander	Green, Pa.	Pryor
Anderson, Ill.	Griffiths	Price, Ill.
Armstrong	Gubser	Pritchard
Ashley	Gude	Quile
Aspin	Guyer	Quillen
Badillo	Hamilton	Rallsback
Barrett	Hanley	Rangel
Bergland	Hansen, Idaho	Rees
Biaggi	Harrington	Reid
Blester	Harvey	Reuss
Bingham	Helstoski	Rhodes
Blatnik	Hillis	Riegle
Boggs	Holifield	Rinaldo
Boland	Holtzman	Robison, N.Y.
Bolling	Horton	Rodino
Brademas	Hosmer	Rooney, N.Y.
Brasco	Howard	Rooney, Pa.
Breckinridge	Johnson, Calif.	Rosenthal
Brooks	Johnson, Pa.	Rostenkowski
Broomfield	Jones, Ala.	Roybal
Brotzman	Kastenmeier	Ruppe
Brown, Calif.	Kluczynski	Ryan
Brown, Ohio	Koch	Sarbanes
Buchanan	Leggett	Schroeder
Burke, Calif.	Lehman	Seiberling
Burton	Lent	Shipley
Carey, N.Y.	McClory	Sisk
Cederberg	McCloskey	Smith, Iowa
Chamberlain	McCollister	Smith, N.Y.
Chisholm	McEwen	Staggers
Clark	McFall	Stanton
Clausen	McKay	J. William
Don H.	McKinney	Stark
Clay	Macdonald	Steed
Cohen	Madden	Steiger, Wis.
Conable	Mahon	Stokes
Conte	Mailliard	Stratton
Conyers	Mallory	Studds
Corman	Maraziti	Sullivan
Coughlin	Mathias, Calif.	Symington
Cronin	Matsunaga	Teague, Calif.
Culver	Meeds	Thompson, N.J.
Daniels	Metcalfe	Thompson, Wis.
Dominick V.	Mazvinsky	Udall
Danielson	Minish	Ullman
de la Garza	Mink	Van Deerlin
Dellenback	Mitchell, Md.	Vander Jagt
Dellums	Mitchell, N.Y.	Vanik
Diggs	Moakley	Vigorito
Donohue	Mollohan	Waldie
Drinan	Moorhead, Pa.	Walsh
Eckhardt	Morran	Ware
Edwards, Calif.	Mosher	Whalen
Edberg	Moss	Wilson, Bob
Erlenborn	Murphy, Ill.	Wilson,
Evans, Colo.	Murphy, N.Y.	Charles, Tex.
Fascell	Natcher	Wolf
Findley	Nedzi	Wright
Flood	Nelsen	Wyder
Foley	Nix	Yates
Ford, Gerald R.	Obey	Yatron
Ford,	O'Hara	Young, Ga.
William D.	O'Neill	Young, Ill.
Forsythe	Owens	Zablocki
Fraser	Patman	
Frelinghuysen	Patten	
Fulton		

## NOT VOTING—27

Arends	Collins, Ill.	Fisher
Blackburn	Crane	Fuqua
Camp	Esch	Gettys

Gunter	Landrum	Roe
Hanna	Lott	Stanton,
Hansen, Wash.	Michel	James V.
Hawkins	Milford	Stephens
Hobert	Mills, Ark.	Winn
Jones, N.C.	Pepper	
Landgrebe	Regula	

So the amendment was rejected.

The result of the vote was announced as above recorded.

## AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. Gross: On page 6, strike all of lines 12 through 21.

Mr. GROSS. Mr. Chairman, this amendment is on all fours with the previous amendment except that it would save \$60 million. It deals with so-called selected countries and organizations, none of which are specified, and the language of the bill reads in part as follows:

The President is authorized to furnish assistance on such terms and conditions as he may determine . . .

That means he could spend \$60 million in each of the next 2 fiscal years of 1974 and 1975. In other words, \$120 million would be authorized under the terms of this bill.

For those Members who voted for the anti-impoundment bill yesterday, let me remind you that it is not necessary that the President expend this money. He can impound it. And to those who have been screaming and moaning and crying about delegated power to the President, here is your opportunity to do something about it, and the last opportunity today, as far as I am concerned.

I was surprised by my friend from Florida (Mr. FASCELL) who a few moments ago apparently was minimizing—minimizing the \$3 billion to be authorized under this bill for foreign aid. I say to the Members that if this foreign aid program was submitted to a vote of the people of this country, it would be sunk like the well known pollution in the cistern, and everyone in this room here today knows it.

Mr. Chairman, I urge that the Members vote to save at least \$60 million.

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

Mr. Chairman, this amendment is offered to a different section than the amendments offered previously by the gentleman from Iowa. This is a section devoted mostly to program loans. Also funded by this \$60 million are projects such as the volunteer organization headed by Frank Pace, whom many Members know—the International Executive Service Corps. That organization is composed of many businessmen who have retired and who now work for a dollar a year, or who work free, giving advice to developing countries.

This also is a section which is aimed at helping us get out of the lending business in the foreign assistance bill. This is the transition section to move us over to private capital financing.

This is a very important section, and I hope the House is opposed to the amendment.

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



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

Mr. LONG of Maryland. I just wonder whether this private capital financing is covered under the guarantees of OPIC?

Mr. MORGAN. No, they are not.

Mr. LONG of Maryland. They are not covered under the guarantees?

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

Mr. MORGAN. I yield to the gentleman from Indiana.

Mr. DENNIS. I should like to say to the chairman that I opposed the gentleman from Iowa on his first three amendments because I liked the approach of this bill, focusing on the subject matters of food, population, and education. I supported the gentleman from Iowa on his last amendment, but I regarded that one as somewhat debatable.

Here I just wonder what we need this \$60 million for. It seems to me, particularly since the last amendment of the gentleman from Iowa failed, that they have got all the flexibility and discretion they need in this bill. Here they are going to have another \$60 million, at Executive discretion, for general economy and development programs without any further definition, of what this may mean or include.

Is that not to some degree undoing the thrust attempted in the earlier sections? Why do they need additional leeway?

Mr. MORGAN. No; this will keep the program going during the period of transition. This is a very vital section. Under the old legislation many of these programs have been authorized—as development loans, especially for India, Indonesia, Pakistan, and other countries. This is the transition section to the new concept of carrying out foreign assistance.

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

Mr. MORGAN. I yield to the gentleman from California.

Mr. MAILLIARD. I thank the chairman for yielding.

It seems to me that some of the best programs which have been supported in the past will be supported under this particular section. That is one of the problems of coming in with a new bill with categories Members are not familiar with.

The gentleman mentioned an organization headed by Mr. Pace. One I am familiar with, because the headquarters is in San Francisco, is the Asia Foundation. I would say the support given by the Government, the rather modest support, over the years to the Asia Foundation has probably produced more for the dollar than almost anything else we have expended.

There are a number of private organizations that are put together, sometimes by corporations, sometimes by labor unions, sometimes by charitable organizations, to aid in the development process.

In some cases we provide help with their administrative expenses, and they raise their own funds for operations. In some cases we do have a little Government help on their operations.

We are getting more back for the buck in this section than in almost any other section of the bill.

Mr. MORGAN. Of course, credit union,

cooperatives, the voluntary agencies, and other private-sector groups are funded from this section. When we sweep out this section, we sweep out a very important section.

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

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

Mr. LONG of Maryland. Could the chairman tell me what the terms will be? Will there be any terms the President wants, no matter how low the interest rate, how long the grace period, or how long the period of repayment? Will it all be in the direction of the President?

Mr. MORGAN. The gentleman from Maryland has served with distinction as a member of the subcommittee of the Committee on Appropriations for years. I am sure he is familiar with the old development loan section. The terms in this section would follow the pattern of the old development loan section.

Mr. LONG of Maryland. In other words, these will be very low interest rates.

Mr. MORGAN. These will be low rates, such as 3 percent.

Mr. LONG of Maryland. I support the amendment offered by the gentleman from Iowa.

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

Partially in answer to the question of the gentleman from Maryland, there is a provision a little later in this section which makes all of these sections subject to the general rules. We have also put in a provision here limiting the amounts that can go in grants. All these are subject to the limitations of basic law, which we have not altered in this bill.

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

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

Mr. LONG of Maryland. I have had some opportunity to look at these situations. Many of the interest rates are very low. The grace periods are very long. The periods of repayments are very long.

We have received back from most of these countries only very small percentages of the amounts loaned on similar types of loans. What has happened, as even the professors have recognized, is that the money is wasted.

Mr. Chairman, money is wasted because the terms of credit have been so generous that they are regarded by many as almost free money. All of our small business firms would love to get terms like this.

Mr. MAILLIARD. Well, I do not think that is a proper basis for comparison. We have programs for our own small business organizations, and perhaps they should be more generous.

Mr. Chairman, if the gentleman feels we ought to change the basic ground rules, all right, but I do not think the way to do it is to strike an entire section and completely take away support for some very important worldwide organizations, many of them voluntary agencies and private groups that are putting their own money in as well.

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

Mr. MAILLIARD. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding.

I believe we also should point out that the money to be provided under this section is to be provided for a limited number of program loans, such as to Indonesia. That is the country that comes to my mind. Those loans are made only after careful scrutiny of the extent to which the country is prepared to improve its own position. I believe that the post-Sukarno government certainly meets these qualifications, and there is a need.

It should also be pointed out that the assistance provided under the program loan is coupled with assistance from other countries. So what we are talking about is assistance which is well thought through and which in some cases helps private organizations. In the case of program loans there is multilateral assistance as well.

So this is not simply a reduction in the amount that would be available. This amendment would mean funds would not be available at all, this would have a disastrous effect on programs which are of real need in countries like Ghana, post-Nkrumah Ghana, and the post-Sukarno government in Indonesia.

Mr. MAILLIARD. Mr. Chairman, I quite agree with the gentleman, because if there is any section in the bill where the U.S. dollar produces more of other people's dollars, private, public, and international, for development, it is in this section of the bill. My judgment of it is that this would be about the most foolish thing we could do, because here we are generating other funds, and at a high multiple, as compared with any other section.

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

Mr. MAILLIARD. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I ask the gentleman, if that would be true in Ghana into which this Government poured millions of dollars, and when Nkrumah left, he walked away with the whole bag?

Mr. MAILLIARD. Well, I would simply say to the gentleman that that is all the more reason that sensible, reasonable governments should receive some support.

Mr. GROSS. Mr. Chairman, does the gentleman know of any small business loans in this country which can be obtained these days at 2- or 3-percent interest?

Mr. MAILLIARD. I am not sure that I do, but I know that we do have preferential terms in this country. I have had the advantage in my own district for flood relief.

Mr. GROSS. Well, that is what it is all about.

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

Mr. MAILLIARD. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, I thank the gentleman for yielding.

I believe the gentleman from Iowa is overlooking the fact that these are programs which are geared to export of American business methods, American products, and American technology.

Mr. MAILLIARD. The gentleman is correct.

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

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

Mr. LONG of Maryland. Mr. Chairman, it does not do any good, I might point out, to sell goods to other countries unless we are paid for them. The terms under which these loans are given are so generous that they amount to about a three-quarters gift.

Consequently, I believe we will find it difficult to show how this has been advantageous in any way to profitability of American business or to our balance of payments. It does not do us any good to sell goods and get I.O.U.'s.

Mr. DERWINSKI. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, first I want it to be made clear to everyone that, even though I am speaking from the minority leader's chair at the moment, I do not think he shares my sentiment right at this point.

I feel that the gentleman from Iowa (Mr. Gross) deserves to be commended. He has had a very frustrating and difficult day so far.

He has yet to have one of his amendments carried, although he has very effectively presented a case.

If there is any consolation I may give to the gentleman from Iowa, it is that he should feel flattered that the heaviest guns on the committee have been brought forth to fire away at the gentleman's amendments, which is a tribute to the effectiveness of the gentleman from Iowa.

But, Mr. Chairman, I do think we ought to keep in mind exactly what this section does. The gentleman from Iowa very properly pointed out that one of his motives in offering the amendment was to suggest to those Members who have spent the last 6 months complaining of the need to control the President, that in this section the President has an open hand in the handling of the funds. For those who feel there must be more control by Congress over the Executive branch, the gentleman from Iowa properly makes the point that by striking the provision giving the President very close to a blank check in the authorizing funds in that section we are controlling the Executive.

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

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, to strike out this section it would literally stop programing loans which have now been in the mill which are generally made in the multilateral context of donors, usually led by the World Bank, in which the economic objectives are set and the country is required to meet certain criteria, and improvements in order to get this multiple group of donors to make the program loans. The amendment would strike all of the U.S. participation in that effort.

It would also strike all the money made available now for the U.S. participation in three regional organizations, the Organization of American States, Central, and the Southeast Asia Advisory Group. In addition to that, it would strike out all the money which the AID program makes to voluntary agencies such as the National Rural Electric Cooperative Association, the Credit Union National Association, the Cooperative League of the U.S.A., and many others who have worked and cooperated with the AID in attempting to instill in many of these countries some of the concepts which have been so valuable in this country. It would move all of that out of the proposal to save the money as the gentleman from Ohio wants to do.

Mr. HAYS. Mr. Chairman, if the gentleman will yield, every once in a while the gentleman from Florida suggests something that the gentleman should not. The gentleman said that it would knock out money for CENTO. I would ask the gentleman from Florida who is left in CENTO today?

Mr. FASCELL. I just made the statement.

Mr. HAYS. I know, but who is in it? We are knocking out money for something that does not really exist except on paper.

Mr. FASCELL. The gentleman from Ohio can take his own time. Let me answer the gentleman.

Let me say this: To the extent that I was at the meeting the other day attended by the Secretary of State in which he said that one of the most promising things now was the revitalization of CENTO.

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

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

Mr. Chairman, there is nothing personal in what I have said. I have the highest regard for the gentleman from Florida. I asked the gentleman a simple question, and he resorted to rhetoric, and did not answer it. I asked the gentleman who was left in CENTO? Who is paying anything besides us? New Zealand is not in it any more, Australia is not in it any more. Who is in it? Thailand and the United States, that is it. That is all.

You know, I just made an observation, and the gentleman brought CENTO in.

Mr. MORGAN. If the gentleman will yield, I think the gentleman has some confusion here as to SEATO and CENTO.

Mr. HAYS. Can the gentleman tell me who is in CENTO?

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield, the gentleman from Florida quoted Secretary of State Rogers as saying that CENTO is one of the most promising organizations that we have in the world.

Is this the same Secretary of State Rogers who told several years ago that we were not bombing in Cambodia, that Congress would be given notice if we planned any move into Cambodia? And then 2 days later the invasion of Cambodia took place. Either Mr. Rogers was not telling the truth or he did not know.

Either way, his forecasts for the future are scarcely worthwhile when he does not even know what has been going on in the past.

Mr. MORGAN. If the gentleman will yield, I can name the countries.

Mr. HAYS. Let me say first about Secretary of State Rogers. I think he is about the most likeable man in the whole Cabinet. He never told me that we were not bombing in Cambodia.

He must have made that statement; I do not know. But if he said that, I suspect he did not know, himself. The Secretary of the Air Force, Mr. Seamans, today said he did not know. So I do not really fault the Secretary of State for this. I am sure he hopes that whatever organization they are talking about, SEATO, or CENTO, or whatever, it is a promising organization. I do not know, but to hear them tell it downtown in the State Department, they are all promising organizations. I do not know what they are promising, but they are long on promises and short on delivery. However, one thing I do know and that is, Bill Rogers would not deliberately mislead anyone.

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

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

Mr. LONG of Maryland. Take your choice, he either told Congress a fib or he did not know what was going on. Either way, he is a poor source for a forecast of the future.

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

Mr. HAYS. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, to clarify the difference between SEATO and CENTO, CENTO is United Kingdom, Pakistan, Turkey, and Iran. We are not a member.

The gentleman was at a little meeting we had yesterday with the Shah of Iran.

Mr. HAYS. Yes, I was, and I was very impressed.

Mr. MORGAN. I do not know whether he was in the room when this was brought up, but the Shah expressed how important CENTO is.

Mr. HAYS. How much of this \$60 million is for Iran, or any of the other nations?

Mr. MORGAN. I am saying it has funds here.

Mr. HAYS. How much is funded out of here?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Hays was allowed to proceed for 2 additional minutes.)

Mr. HAYS. I did not intend to get into all of this, but the Chairman himself mentioned Mr. Frank Pace's organization. There is no nicer fellow around than Frank Pace. I think he is a very decent guy, and he wants to do the right thing, but he had the most dismal record in private industry of anybody who ever headed up a big corporation. He was president of General Dynamics and it almost died on the vine. It went from



a worth of about \$100 million down to almost zero, and they had to ease him out. So now he is heading up an international organization which gets funded by the taxpayers. There is no way on God's earth that he can go bankrupt because we keep giving him an injection of cash every year.

I do not want Mr. FASCELL to think I am getting personal with him, or Mr. Pace, or anybody else. I defended the Secretary of State, and I will defend Mr. Pace as an individual, but as a performer, he leaves a lot to be desired. Yet people bring his name in, and that is supposed to be the Gospel. What are the facts?

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

Mr. HAYS. I yield to the gentleman from Florida.

Mr. FASCELL. I will be very happy to admit on the record that the gentleman from Ohio is a better performer than is Mr. Pace.

Mr. HAYS. I thank the gentleman. I never really had control of a big organization, but we did put the restaurants in the black, and that is more than Mr. Pace did.

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

Mr. Chairman, I think this debate between the Members on this side is of some interest, but what I should like to make clear is that we are not just cutting money out; we are cutting out the whole section. We are not reducing the \$60 million by \$20 million or \$25 million; we are taking out the underlying authority itself. When we restructured this AID program under a bipartisan effort, working with the administration, we set out three major emphases: health, education, and rural development.

There were two categories left over; one, selected projects and the other, selected countries, that just did not fit into these three main categories at this time. The problem with this amendment is that it wipes out one of those five categories. It does not reduce the money; it wipes it out.

This is what is so devastating about this amendment. It is not a question of cutting back support of the International Executive Corporation, retired businessmen who are trying to help; it is wiping out support. It is not a question of reducing money to the credit union movement in its efforts to encourage the growth of credit unions abroad; it is a wipe-out. This is the seriousness of this amendment.

I urge the Members not to look at this as a money cut, but as taking out one of the five major categories in this bill.

We are trying to refocus this money where it needs to go, on health or education or on rural development, but we just cannot, in the first year, fit everything into those three categories.

We do have private voluntary organizations doing extremely effective work, and this particular section enables us to continue working through them. Therefore, I would plead with the Members not to look at this just as a money cut,

but as a wipe out of one of the five categories of aid.

I hope our committee in years to come will be able to come back with a bill which pinpoints even more specifically where this money is going. This is our first effort. It takes time to get these programs redirected, but if the Members start taking out major categories, the whole thing starts coming apart.

That is why I would strongly urge a vote against this amendment. It is not a money cut.

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

Mr. FRASER. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, for the benefit of the gentleman, this section which he admittedly helped write, provides that the President can impound the money or spend it wherever he wants to. Is that not true?

Mr. FRASER. As the gentleman knows—

Mr. GROSS. The gentleman has not the vaguest idea today about where a dime of the \$60 million will be expended.

Mr. FRASER. The gentleman knows, because he is a member of the committee and can compare the legislation of last year with the legislation of this year. We are beginning to direct the money, beginning to categorize it and aim it. That is the process we are involved in, so that if we compare it with earlier bills, this bill is a big improvement.

Maybe it is not pinpointed enough. I would agree it is not pinpointed as well as we could, but it takes time to take an old program and work it into something more understandable, more targeted, more effective.

Mr. GROSS. Then the question is why does the gentleman help write a bill that provides all of this Presidential determination.

Mr. FRASER. As the gentleman may know, I tried to put the President under much more constraint than he is today in the field of foreign affairs. It is a very difficult thing to do.

Mr. GROSS. The gentleman knows that we have here today the same old body dressed in a new kimono.

Mr. FRASER. I do not agree with the gentleman. What we are attempting to do is make development effective.

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

Mr. FRASER. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, the gentleman has spent much time and effort to correct the shortcomings of the aid program. Our committee is familiar with those shortcomings and is attempting to correct the situation. The gentleman from Minnesota is trying to improve the bill. The amendment proposed by the gentleman from Iowa would torpedo this effort. The gentleman's amendment would do just that, would it not?

Mr. FRASER. It would.

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

Mr. FRASER. I yield to the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, I have heard so much about delegation of authority to the President that I would like to ask, if we did not appropriate to the President, who would we appropriate to? Undoubtedly, we would appropriate to the AID Administrator, or someone else. Would that be good management or would it be different?

OMB would still coordinate for the President and the President would still have responsibility for any action. He could spend or not and he could tell the AID Administrator what to do. Therefore, the argument that we are delegating authority to the President who has the ultimate authority anyway as Chief Executive is a distinction without a difference.

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

Mr. FRASER. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, is it not true that last year the equivalent amount, which gave the President the same sort of broad authority under the heading of development loans, amounted to \$250 million? Now, we are asking for only \$60 million for the same general purpose.

Mr. FRASER. The gentleman is right. The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(At the request of Mr. BURKE of Massachusetts and by unanimous consent, Mr. FRASER was allowed to proceed for 1 additional minute.)

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, is it not true that the provisions of this section give the President the same power which he exercised up in New England when he wiped out all the defense installations in Massachusetts and Rhode Island?

Mr. FRASER. Well, I will tell the gentleman that if we had an amendment to forbid any interference with those bases in Massachusetts, I would vote for it.

Mr. BURKE of Massachusetts. Mr. Chairman, that is why I am going to vote for the amendment of the gentleman from Iowa, because I am afraid of giving the President any further power.

Mr. FRASER. This does not affect the bases.

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

Mr. FRASER. I yield to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, if this amendment is not carried, does the President have any authority to spend any of this \$60 million in North Vietnam?

Mr. FRASER. No.

Mr. SYMMS. How can the gentleman be sure of that?

Mr. FRASER. I think there is a general prohibition.

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

Mr. FRASER. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, it seems

strange that this side of the aisle seems to be defending the President of the United States while it seems the gentlemen on the other side, who are with his party, are opposed to it.

Naturally, there are a number of people here who are seeking to limit the authority of the President, but we do not want to tie him hand and foot. I think the President must have authority to be able to continue his job.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 56, noes 76.

## RECORDED VOTE

Mr. GROSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 173, noes 232, not voting 28, as follows:

[Roll No. 393]

AYES—173

Abdnor	Froehlich	Price, Tex.
Anderson, Calif.	Fulton	Randall
Andrews, N.C.	Ginn	Rinaldo
Andrews, N. Dak.	Goldwater	Roberts
Archer	Goodling	Robinson, Va.
Armstrong	Gross	Rogers
Ashbrook	Grover	Roncallo, Wyo.
Baflals	Haley	Roncallo, N.Y.
Baker	Hammer-	Rose
Beard	schmidt	Roush
Bennett	Hanrahan	Rousselot
Bevill	Harsha	Runnels
Biaggi	Hastings	Ruppe
Bowen	Hays	Ruth
Burgener	Hechler, W. Va.	Sandman
Burke, Fla.	Heckler, Mass.	Satterfield
Burke, Mass.	Henderson	Saylor
Burleson, Tex.	Hicks	Scherie
Burlison, Mo.	Hinshaw	Schneebeli
Butler	Holt	Sebellus
Byron	Huber	Shoup
Carney, Ohio	Hudnut	Shriver
Carter	Hungate	Shuster
Casey, Tex.	Hunt	Sikes
Chappell	Hutchinson	Skubitz
Clancy	Johnson, Colo.	Sack
Clausen,	Jones, N.C.	Snyder
Don H.	Jones, Tenn.	Spence
Clawson, Del.	Karth	Steelman
Cochran	Kemp	Steiger, Ariz.
Collier	Ketchum	Stubblefield
Collins, Tex.	King	Stuckey
Conlan	Kuykendall	Symms
Cotter	Landrum	Taylor, Mo.
Daniel, Dan	Litton	Taylor, N.C.
Daniel, Robert	Long, Md.	Teague, Tex.
W., Jr.	Lujan	Thone
Davis, Ga.	McCollister	Tiernan
Denholm	Maraziti	Towell, Nev.
Dennis	Martin, Nebr.	Treen
Derwinski	Martin, N.C.	Vanik
Devine	Mathis, Ga.	Veysey
Dingell	Mayne	Vigorito
Donohue	Mazzoli	Waggonner
Dorn	Melcher	Wampler
Downing	Miller	White
Dulski	Minshall, Ohio	Whitten
Duncan	Mizell	Williams
Edwards, Ala.	Montgomery	Wilson
Evins, Tenn.	Moorhead,	Charles H.,
Flynt	Calif.	Calif.
Fountain	Moss	Wyatt
Frey	Myers	Wylie
	Nichols	Wyman
	Owens	Young, Alaska
	Farris	Young, Fla.
	Fassman	Young, S.C.
	Pettis	Zion
	Pike	Zwach
	Poage	
	Powell, Ohio	

NOES—232

Abzug	Barrett	Bolling
Addabbo	Bell	Brademas
Alexander	Bergland	Brasco
Anderson, Ill.	Blester	Brooks
Annuzio	Bingham	Broomfield
Ashley	Blatnik	Brown, Calif.
Aspin	Boggs	Brown, Mich.
Badillo	Boland	Brown, Ohio

Buchanan	Holtzman	Pritchard
Burke, Calif.	Horton	Quile
Burton	Hosmer	Quillen
Carey, N.Y.	Howard	Rallsback
Cederberg	Ichord	Rangel
Chamberlain	Jarman	Rees
Chisholm	Johnson, Calif.	Reld
Clark	Johnson, Pa.	Reuss
Cay	Jones, Ala.	Rhodes
Cleveland	Jones, Okla.	Riegle
Cohen	Jordan	Robison, N.Y.
Collins, Ill.	Kastenmeier	Rodino
Conable	Kazen	Rooney, N.Y.
Conte	Keating	Rooney, Pa.
Conyers	Kluczynski	Rosenthal
Corman	Koch	Rostenkowski
Coughlin	Kyros	Roy
Cronin	Latta	Roybal
Culver	Leggett	Ryan
Daniels	Lehman	St Germain
Dominick V.	Lent	Sarasin
Danielson	Long, La.	Sarbanes
Davis, S.C.	McClary	Schroeder
Davis, Wis.	McCoskey	Schroeder
de la Garza	McCollister	Seiberling
Deaney	McCormack	Shipley
Dellenback	McDade	Sisk
Dellums	McEwen	Smith, Iowa
Dent	McFall	Smith, N.Y.
Drinan	McKay	Staggers
du Pont	McKinney	Stanton
Eckhardt	McSpadden	J. William
Edwards, Calif.	Macdonald	Stanton
Ellberg	Madden	James V.
Erlenborn	Madigan	Stark
Esch	Mahon	Steed
Eshleman	Mailliard	Steele
Evans, Colo.	Mann	Steiger, Wis.
Fascell	Mathias, Calif.	Stokes
Findley	Matsunaga	Stratton
Fish	Meeds	Studds
Flood	Metcalfe	Sullivan
Foley	Mezvisinsky	Symington
Ford, Gerald R.	Michel	Talcott
Ford	Minish	Teague, Calif.
William D.	Mink	Thompson, N.J.
Forsythe	Mitchell, Md.	Thomson, Wis.
Fraser	Mitchell, N.Y.	Thornton
Frelinghuysen	Moakley	Udall
Frenzel	Mollohan	Ullman
Gaydos	Moorhead, Pa.	Van Deerlin
Gibbons	Morgan	Vander Jagt
Gilman	Mosher	Walde
Gonzalez	Murphy, Ill.	Walsh
Grasso	Murphy, N.Y.	Ware
Gray	Natcher	Whalen
Green, Oreg.	Nedzi	Whitehurst
Green, Pa.	Nelsen	Widnall
Griffiths	Nix	Wiggins
Gubser	O'Bye	Wilson, Bob
Gude	O'Brien	Wilson
Guy	O'Hara	Charles, Tex.
Hamilton	O'Neill	Woff
Hanley	Fatten	Wright
Hansen, Idaho	Pepper	Wyder
Hansen, Wash.	Perkins	Yates
Harrington	Peyser	Yatron
Harvey	Pickle	Young, Ga.
Heinz	Podell	Young, Ill.
Helstoski	Preyer	Young, Tex.
Hillis	Price, Ill.	Zablocki
Holifield		

NOT VOTING—28

Adams Fuqua Milford  
Arends Gettys Mills, Ark.  
Blackburn Gialmo Patman  
Breckinridge Gunter Rarick  
Camp Hanna Regula  
Crane Hawkins Roe  
Dickinson Hibert Stephens  
Diggs Hogan Winn  
Fisher Landgrebe  
Flowers Lott

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI: On page 4 after line 11 insert a new paragraph reading as follows: "(7) The economic and social development programs to which the United States lends support should reflect, to the maximum extent practicable, the role of United States private investment in such economic and social development programs, and arrangements should be continually

sought to provide stability and protection for such private investment.

Page 4, line 12, strike out "(7)" and insert in lieu thereof "(8)".

Mr. DERWINSKI. Mr. Chairman, I point out to the Members that we are dealing with the policy section of the development assistance authorizations. In other paragraphs it calls for the sharing of American tactical expertise, the U.S. cooperation in development, and emphasizing the program to the maximum extent possible is to be carried out through the private sector.

I believe there is a gap in these policy provisions, a gap which I am attempting to fill with this amendment.

My amendment basically emphasizes the sense of Congress that arrangements should be continually sought to provide stability and protection for such private investment. I believe this is a very necessary amendment in this world where we do have investments in countries that go through periods of governmental instability. I believe congressional emphasis on the need to protect the American private investor is absolutely essential.

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

Mr. DERWINSKI. I will yield to the chairman of the committee.

Mr. MORGAN. Mr. Chairman, as the gentleman has pointed out, the amendment deals with an approach to protection of investment of private funds, and to that extent I believe the gentleman's amendment fulfills that purpose. It is consistent with the purposes of this bill, and personally I have no objection to the gentleman's amendment.

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

Mr. DERWINSKI. Yes, I will yield to the gentleman from California.

Mr. MAILLIARD. Mr. Chairman, although I have not been able to consult with other members of the committee, I can see no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. DERWINSKI).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

## DEVELOPMENT LOAN FUND

SEC. 4. Section 203 of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to fiscal provisions, is amended as follows:

(a) Strike out "the Mutual Security Act of 1954, as amended," and insert in lieu thereof "predecessor foreign assistance legislation".

(b) Strike out "for fiscal year 1970, for the fiscal year 1971, for the fiscal year 1972, and for the fiscal year 1973 for use for the purposes of this title, for loans under title VI, and for the purposes of section 232" and insert in lieu thereof "for the fiscal years 1974 and 1975 for use for the purposes of chapter 1 of this part and part VI of this Act".

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI. Page 7, immediately before line 17, insert the following:

SEC. 4. Section 201(d) of chapter 2 of part I of the Foreign Assistance Act of 1961,



relating to interest rates on development loans, is amended by striking out "3 per centum per annum commencing not later than ten years following the date on which the funds are initially made available under the loan, during which ten-year period the rate shall not be lower than 2 per centum per annum, nor higher than the applicable legal rate of interest of the country in which the loan is made" and inserting in lieu thereof "6 per centum per annum".

And renumber the following sections accordingly.

Mr. DERWINSKI. Mr. Chairman, I have no illusions that this amendment will be accepted as readily as the one I just offered, but hope springs eternal, and if there is a sudden capitulation, I will be pleased to accept it.

Basically, my amendment sets the annual interest rate on the loans to be made under this section at 6 percent.

In the bill it calls for 3 percent per annum after the first 10-year period at a rate of 2 percent. When I offered this amendment in committee, if I recall correctly, the vote against it was something like 16 to 4, but I felt that here on the floor of the House there might be a slightly different attitude, if for no other reason, that interest rates across the country are rising. I am sure this is a fact known to the Members.

As a matter of fact, I read from one of our Nation's most distinguished newspapers, this morning's Washington Post, an article which has a blazing headline "9-9.5% Mortgages, Drastic Cut in Housing Starts Seen."

I recently checked the figures from HUD sources, and I am told that the present national average on home interest rates is 7.89 percent and rising. There are some other figures the Members might be interested in, just to have this picture of the rising world interest rate in the commercial and bank loans, for example.

In the United Kingdom the present prime interest rate is 9.1 percent; Canada, 7½ percent; France, 8.2 percent; Japan, 6.5 percent; and these are rising. There are a number of alternatives to people seeking soft loans. The World Bank has a soft loan window at 2 percent. There is a special fund under the Asian Development Bank at 2½ percent. But I would think that with the funds that are intended to be made available under this section, given the rising interest rates that face the American consumer, the obvious cost in money to anyone seeking to finance a home purchase or a small business, I would think that calling for a 6-percent return for funds under this loan section is not unreasonable. As a matter of fact, I think the 3-percent rate is unconscionable.

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

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. In other words, all the gentleman is trying to do is to provide equity in this bill as it relates to loans made under this foreign aid program, so that foreigners will at least be just slightly below what Americans are paying for normal interest charges on loans.

Mr. DERWINSKI. That is one motive.

Another motive is revenue that will obviously accrue. At the 6 percent rate there is more revenue coming back, more funds to offset costs of this AID program, or other governmental programs. As a matter of fact, if my figures which are obtained from the AID agency are correct, \$8.2 billion AID repayable loans outstanding in 1971 have been placed at the 6 percent rate, which my amendment directs itself to. AID receipts would be \$492 million annually. But this does not apply retroactively. I am speaking now about the rate that would apply to loans made under this new section. I do not think that the 6 percent figure is at all out of line.

Mr. ROUSSELOT. Will the gentleman yield further?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. ROUSSELOT. In other words, those of our colleagues in this Congress, who have been concerned about the high interest rates and wish equity for our American citizens, will want to be sure to vote for this?

Mr. DERWINSKI. I should think that this logic might prevail.

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

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

Mr. Chairman, I will recall to the House, if my memory is correct, that every time a foreign assistance bill has been on the floor, there has been a special amendment offered by my distinguished friend, the gentleman from Illinois. He has been trying for years to increase the interest rates on development loans.

There is not much use in having a foreign aid bill if poor nations are able to go anywhere in the world and buy money at commercial rates. The reason we have a foreign aid bill with a development loan section is, of course, because they are unable to do so: they need capital at low interest rates.

Many other countries around the world, like France, Western Germany, and Japan, have development loan programs where they loan money at low rates. Canada even charges no interest whatsoever on development loans.

If we are ever going to make our goods available in markets around the world, in the underdeveloped countries, we are going to have to get in on a low-interest system. Therefore, I believe that as we move into the new export credit program recommended in the bill, and try to get out of the development loan business, we should not increase our loan terms. If we are successful in moving forward under that new emphasis in foreign aid, the Development Loan Fund will go out and higher interest rates will be possible for our export credits.

How long this process may take I cannot say.

Again, I want to say this amendment has been voted on in this House every year for the last 4 or 5 or 6 years and has been offered by the gentleman from Illinois. The House has stood fast in opposition to it. I hope the House again will oppose the amendment offered by the gentleman from Illinois.

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

Mr. MORGAN. I yield to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, I wonder if the gentleman might answer for the body what interest rates the U.S. Government must pay for the money to fund our deficit programs?

Mr. MORGAN. Mr. Chairman, of course we are paying rates of 6 percent or more depending on the condition of the market. However, this is a foreign aid program, and if we are going to worry about what interest rate we are paying for the money, we should worry about the dollar amounts themselves.

If we are going to have a foreign aid program and attempt to help undeveloped countries around the world, we are not going to do it with hard loans and high interest rates.

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

Mr. MORGAN. Yes, I yield.

Mr. KETCHUM. Mr. Chairman, it would seem to me that the American people would be most interested in realizing that their Government is borrowing at high interest rates, giving it away at low interest rates, and hoping to pick it up on the volume.

Mr. MORGAN. These Government loans, as the gentleman knows, have been made over a period of years. In 1972, we collected \$276 million in repayments which helped lower our balance-of-payments deficits. They are good loans that are repaid with interest and last year brought in \$276 million to the credit of the United States.

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

Mr. Chairman, I had not intended to take any time, but I would like to ask the gentleman from Pennsylvania where I could go in the State of Pennsylvania to borrow 2- or 3-percent money.

Mr. MORGAN. Mr. Chairman, I am sure the gentleman comes from a rural area in Iowa, and over a period of years the rural electrification companies went out and borrowed money of this type at even lower rates.

Mr. GROSS. I am talking about individuals borrowing money.

Mr. MORGAN. There are no individuals here. These are nations.

Mr. GROSS. Who puts up the money you are now going to loan to foreigners at 2 and 3 percent if it is not individuals? Where does it come from?

Mr. MORGAN. From the Treasury of the United States.

Mr. GROSS. Yes, through taxes put up by the individual taxpayers of this country. Is there any place in California where I can borrow money for 2 or 3 percent?

Mr. MORGAN. I do not know if California has any program of rural electrification.

Mr. GROSS. I am sure money cannot be borrowed in Pennsylvania for 2 and 3 percent, and I am sure it cannot be borrowed even in Florida at those rates.

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

Mr. GROSS. I yield to the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, I have come to the conclusion that 18 years in Congress—

Mr. GROSS. For the edification of the chairman, Mr. MORGAN, I have been voting against 2-percent money for the REA for a good many years. I do not know how he has been voting, but I have been voting against it because there is no such thing as 2-percent money when the cost of borrowing to the Federal Government is far above that rate. It takes a lot of gall to come here today and ask the taxpayers of this country, when the U.S. Treasury is paying 7 percent for money, to provide \$3 billion, or any part of it, to be loaned to foreigners at 2 and 3 percent. There must be those who have lost their cotton pickin' minds.

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

Mr. Chairman, I believe this question of interest rates has to be looked at in connection with what we are trying to do.

The U.S. aid program started with the Marshall plan. We gave the money away. I have forgotten the exact figure, but between \$25 billion and \$30 billion went to the industrialized nations of Western Europe.

When President Truman began the point 4 program the emphasis was on grant aid money. The money or the services or the technical assistance was given away with no repayment, none at all.

What we have been trying to do in the aid program since that time is to wean countries off grant aid onto a loan basis. One cannot move from grant aid to a 6-percent, hard-commercial interest rate. It will not wash.

These countries have per capita incomes of \$200 per year. They do not have anything.

We are trying to provide an assistance program to them to help them with development, to help with rural development, with food production and with education. To the extent we can get them to make a commitment to repay we are ahead of where we were when we started the grant program first to Western Europe and then under the point 4 program of President Truman in 1950.

I would urge the Members to think about these interest rates in terms of where we have been and where we wish to go. I hope, before too many years go by, all the countries in the world will be able to meet the hard terms of the commercial world. But that kind of money just will not wash with these very poor countries.

It will not be counted as aid by the international organizations which try to figure out how much aid each country has given.

While we might talk about interest rates going up, Canada is now providing loans at an interest rate of zero. This reflects our understanding that if we are going to move away from grant aid and ask that the money be paid back we cannot at the same time impose a substantial interest charge on it, which may double the expense to that country for the goods manufactured in the United States or the services rendered from the United States.

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

Mr. FRASER. I yield to the gentleman from New York.

Mr. BINGHAM. Is it not true that the International Bank is available to make loans on hard-loan terms? The Bank has found it can go only so far with such loans, and has had to make loans on concessional terms through the IDA. There would be no need for this type of program if these countries could meet the hard-term loans, is that not right?

Mr. FRASER. The gentleman is exactly right.

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

Mr. FRASER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding.

I believe the discussion with respect to the high commercial rates indicates quite clearly the nature of the problem in some of these poor countries. It makes it more difficult for them to get the assistance needed if the rates are higher.

If we are going to increase our own rates and in effect not make concessional loans, obviously this will dry up this source of the funds.

As our chairman has said, if we want to provide assistance we have to do it on terms which are possible for them to meet. Because interest rates are higher is not an argument against what we are proposing, but in fact strengthens the advisability and necessity of providing concessional loans.

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

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

Mr. DERWINSKI. I should think that one of the positive arguments for what the gentleman calls the high interest rates is that they produce twice as much revenue, as between 6 and 3 percent, under the rate provided in the bill. Since there is a revolving fund for this program, there would then be more funds flowing back to reinvest for this program.

Quite frankly, if they can get the money at 2 or 3 percent they can afford to pour it down rat holes, for bad projects. If they have to pay 6 percent, perhaps more thought will go into the practicality of the investment project.

Mr. FRASER. Let me make the observation that 3 percent is the minimum rate. Some rates go higher, and some terms are shorter, depending upon the ability to pay.

Let us not force a choice between grant aid or the commercial terms. That is what is unreasonable. We need an intermediate type of credit, where we do get the money back.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. DERWINSKI).

The question was taken; and on a division (demanded by Mr. DERWINSKI) there were—ayes 22, noes 63.

Mr. DERWINSKI. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

#### TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 5. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to technical cooperation and development grants, is amended as follows:

(a) In section 211(a), relating to general authority, in the last sentence immediately after the word "assistance" insert the word "directly".

(b) In section 214, relating to authorization for American schools and hospitals abroad, strike out subsections (c) and (d) and insert in lieu thereof the following:

"(c) To carry out the purpose of this section, there are authorized to be appropriated to the President for the fiscal year 1974, \$20,000,000, and for the fiscal year 1975, \$20,000,000, which amounts are authorized to remain available until expended.

"(d) There are authorized to be appropriated to the President to carry out the purposes of this section, in addition to funds otherwise available for such purposes, for the fiscal year 1974, \$7,000,000, and for the fiscal year 1975, \$7,000,000, in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

"(e) Amounts appropriated under this section shall not be used to furnish assistance under this section in any fiscal year to more than four institutions in the same country, and not more than one such institution shall be a university and not more than one such institution shall be a hospital."

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

Mr. Chairman, I rise in order to have a brief colloquy with the gentleman from Indiana (Mr. HAMILTON) who is the author of the amendment to section 214 of the act, specifically paragraph (e) on page 9 of the bill.

Specifically, Mr. Chairman, the committee report points out that this is a new subsection added to section 214 of the act "to limit assistance under this section to not more than four institutions in any one country in any fiscal year." This amendment also provides that not more than one university and one hospital in any one country may receive section 214 aid in any fiscal year. By "university" is meant "any institution of higher learning."

Mr. Chairman, that is a quote from the committee report. I am somewhat in sympathy with the thrust of this amendment, because I think overseas we have sometimes tended to proliferate our assistance in certain areas or to some institutions where results might have been more beneficial.

However, I am troubled, Mr. Chairman, that here we are going a little beyond principles and constraints as far as the administration of the U.S. Ambassador or of this House or of the subcommittee of the Foreign Affairs Committee might be concerned. We appear not to be using very much flexibility in here; the provision not only limits aid to four institutions in the same country, but also specifically enumerates that not more than one such institution shall be a university or a hospital.

Specifically I would like to call the attention of the gentleman from Indiana to the fact that if we take the definition in the report literally, that is to say that



a university is meant to be an "institution of higher learning," we could end up in a situation in Israel, for example, where we might preclude aid to the Hebrew University and the Weizmann Institute, both of which are among the ablest institutions of higher learning, in my judgment, in the world.

The Hebrew University is considered, I think, one of the finest universities in the East, and indeed the Weizmann Institute has been in the forefront of some of our research in biomedicine and in cancer and indeed in the whole field of nuclear physics and in areas of applied mathematics, to mention a few.

My concern is that the institute might be considered somewhat similar to the Institute of Advanced Studies in Princeton, which is clearly an institution of higher learning. I would hate to make judgments, were I charged with so doing, as between the Hebrew University and the Hadassah Medical Center, for example, and the Weizmann Institute. I think all three would be eminently worthy of funding purely on the merits of their creative applied and pure research.

Accordingly, I would like to ask the gentleman, the chairman of the Subcommittee on the Near East (Mr. HAMILTON), whether it would be his intention through the device of this mechanism to preclude in any way funding of these two or three institutions I have mentioned.

Mr. HAMILTON. Will the gentleman yield?

Mr. REID. I am happy to yield to the gentleman.

Mr. HAMILTON. I think the gentleman from New York accurately states the primary purpose of section 214. We have only a limited amount of funds available here, \$20 million, under past appropriations. The whole concept here is not to provide for the educational and the health needs of the country but to concentrate those funds on institutions of excellence which will demonstrate American ideas and practices and the American technology. The constraints of the amendment apply to one university and one hospital in a given country.

I am not familiar in great detail, as I am sure the gentleman from New York is, with each of those institutions. My understanding is, for example, the Weizmann Institute would not, in my view anyway, be considered a university; rather it is a research institute. It would seem to me the institutions that the gentleman named could be covered under the limitation.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. REID. Might I ask the gentleman from Indiana whether therefore the definition of a university, meaning an institution of higher learning, should be construed as not to include a research institute, if that is indeed what the Weizmann Institute might be classified as? Personally I think it is an institute of the finest character, which indeed contributes enormously to higher learning.

It gets into a number of areas that I think would fall in that definition, but the subcommittee chairman would be prepared not to include that under the definition on page 29 of the report, I take it.

Mr. HAMILTON. That is correct.

Mr. REID. I thank the gentleman.

I merely add I think this amendment may be looked at in the other body and in conference, and I hope we will leave requisite flexibility for funding of institutions of superlative merit and not be too restrictive so as to deny merit simply in the interests of arbitrary categories.

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

Mr. REID. Mr. Chairman, I have requested this additional time so that I might yield to the distinguished chairman of the Foreign Operations Subcommittee of the Appropriations Committee, the gentleman from Louisiana (Mr. PASSMAN).

Mr. PASSMAN. Mr. Chairman, I thank the gentleman from New York for yielding me this time.

I want to thank the gentleman from New York for clearing this up. I think the Weizman Institute is one of the finest institutions we have in the world, and that we should establish now whether it is a university or whether it is a hospital, because if we do not clear up the language then in all probability the Weizman Institute would be deprived of funds that are badly needed with great loss, and this is one that I can very easily vote for.

Mr. REID. I thank the distinguished gentleman from Louisiana for his contribution.

Mr. Chairman, I hope this colloquy will guide the conferees in precisely understanding what is meant by this language because we do not wish to preclude support for any one of the three institutions I mentioned, and they all might fall within the definition.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

#### HOUSING GUARANTIES

SEC. 6. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to housing guaranties, is amended as follows:

(a) In section 221, relating to worldwide housing guaranties, strike out "\$205,000,000" and insert in lieu thereof "\$305,000,000".

(b) In section 223(1), relating to general provisions, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1976".

#### OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 7. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to the Overseas Private Investment Corporation, is amended as follows:

(a) In section 235(a)(4), relating to issuing authority of the Overseas Private Investment Corporation, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1975".

(b) In section 240(h), relating to agricultural credit and self-help community development projects, strike out "June 30, 1973" and insert in lieu thereof "June 30, 1975".

#### ALLIANCE FOR PROGRESS

SEC. 8. Section 252(b) of title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to authorization of appropriations, is amended to read as follows:

"(b) There are hereby authorized to be appropriated to the President for the fiscal year 1974, \$968,000, and for the fiscal year 1975, \$968,000, for grants to the National Association of the Partners of the Alliance, Inc. in accordance with the purposes of this title."

#### PROGRAMS RELATING TO POPULATION GROWTH

SEC. 9. Section 292 of title X of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "1972 and 1973" and inserting in lieu thereof "1974 and 1975".

#### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 10. Chapter 3 of part I of the Foreign Assistance Act of 1961, relating to international organizations and programs, is amended as follows:

(a) At the end of section 301, relating to general authority, add the following new subsection:

"(e)(1) In the case of the United Nations and its affiliated organizations, including the International Atomic Energy Agency, the President shall, acting through the United States representative to such organizations, propose and actively seek the establishment by the governing authorities of such organizations a single professionally qualified group of appropriate size for the purpose of providing an independent and continuous program of selective examination, review, and evaluation of the program and activities of such organizations. Such proposal shall provide that such group shall be established in accordance with such terms of reference as such governing authority may prescribe and that the reports of such group on each examination, review, and evaluation shall be submitted directly to such governing authority for transmittal to the representative of each individual member nation. Such proposal shall further include a statement of auditing and reporting standards, as prepared by the Comptroller General of the United States, for the consideration of the governing authority of the international organization concerned to assist in formulating terms of reference for such review and evaluation group.

"(2) In the case of the International Bank for Reconstruction and Development and the Asian Development Bank, the President shall, acting through the United States representative to such organizations, propose and actively seek the establishment by the governing authorities of such organizations professionally qualified groups of appropriate size for the purpose of providing independent and continuous program of selective examination, review, and evaluation of the program and activities of such organizations. Such proposal shall provide that such groups shall be established in accordance with such terms of reference as such governing authorities may prescribe and that the reports of such groups on each examination, review, and evaluation shall be submitted directly to such governing authority for transmittal to the representative of each individual member nation. Such proposal shall further include a statement of auditing and reporting standards, as prepared by the Comptroller General of the United States, for the consideration of the governing authority of the international organization concerned to assist in formulating terms of reference for such review and evaluation groups.

"(3) Reports received by the United States representatives to these international organizations under this subsection and related information on actions taken as a result of recommendations made therein shall be submitted promptly to the President for transmittal to the Congress and to the Comptroller General. The Comptroller General shall periodically review such reports and related information and shall report simultaneously to the Congress and to the President any sug-

gestions the Comptroller General may deem appropriate concerning auditing and reporting standards followed by such groups, the recommendations made and actions taken as a result of such recommendations."

(b) In section 302(a), strike out "for the fiscal year 1972, \$138,000,000 and for the fiscal year 1973, \$138,000,000" and insert in lieu thereof, "for the fiscal year 1974, \$127,000,000 and for the fiscal year 1975, such sums as may be necessary".

(c) In section 302(b), strike out "for use in fiscal year 1972, \$15,000,000, and for use in fiscal year 1973, \$15,000,000" and insert in lieu thereof "for use in the fiscal year 1974, \$15,000,000, and for use in the fiscal year 1975, \$15,000,000".

(d) Section 302(d) is amended to read as follows:

"(d) Of the funds provided to carry out the provisions of this chapter for each of the fiscal years 1974 and 1975, \$18,000,000 shall be available in each such fiscal year only for contributions to the United Nations Children's Fund."

(e) In section 302(e), strike out "\$1,000,000 for the fiscal year 1972 and \$1,000,000 for the fiscal year 1973" and insert in lieu thereof "\$2,000,000 for the fiscal year 1974 and \$2,000,000 for the fiscal year 1975".

#### CONTINGENCY FUND

SEC. 11. Subsection (a) of section 451 of chapter 5 of part I of the Foreign Assistance Act of 1961, relating to the contingency fund, is amended as follows:

(a) Strike out "for the fiscal year 1972 not to exceed \$30,000,000, and for the fiscal year 1973 not to exceed \$30,000,000" and insert in lieu thereof "for the fiscal year 1974 not to exceed \$30,000,000, and for the fiscal year 1975 not to exceed \$30,000,000".

(b) Strike out the proviso contained in the first sentence of such subsection and at the end of such subsection add the following: "In addition to the amounts authorized to be appropriated by this subsection, there are authorized to be appropriated such additional amounts as may be required from time to time to provide relief, rehabilitation, and related assistance in the case of extraordinary disaster situations. Amounts appropriated under this subsection are authorized to remain available until expended."

#### INTERNATIONAL NARCOTICS CONTROL

SEC. 12. (a) Section 481 of chapter 8 of part I of the Foreign Assistance Act of 1961, relating to international narcotics control, is amended by inserting "(a)" immediately after "INTERNATIONAL NARCOTICS CONTROL—" and by adding at the end thereof the following new subsection:

"(b) (1) Not later than forty-five days after the date on which each calendar quarter of each year ends, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a report on the programing and obligation, per calendar quarter, of funds under this chapter prior to such date.

"(2) Not later than forty-five days after the date on which the second calendar quarter of each year ends and not later than forty-five days after the date on which the fourth calendar quarter of each year ends, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a complete and detailed semiannual report on the activities and operations carried out under this chapter prior to such date. Such semiannual report shall include, but shall not be limited to—

"(A) the status of each agreement concluded prior to such date with other countries to carry out the purposes of this chapter; and

"(B) the aggregate of obligations and expenditures made, and the types and quantity

of equipment provided, per calendar quarter, prior to such date—

"(i) to carry out the purposes of this chapter with respect to each country and each international organization receiving assistance under this chapter, including the cost of United States personnel engaged in carrying out such purposes in each such country and with each such international organization;

"(ii) to carry out each program conducted under this chapter in each country and by each international organization, including the cost of United States personnel engaged in carrying out each such program; and

"(iii) for administrative support services within the United States to carry out the purposes of this chapter, including the cost of United States personnel engaged in carrying out such purposes in the United States."

(b) Section 482 of chapter 8 of part I of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "\$42,500,000" and all that follows down through the period at the end of such action and inserting in lieu thereof "\$50,000,000 for each of the fiscal years 1974 and 1975. Amounts appropriated under this section are authorized to remain available until expended."

#### COOPERATIVE ECONOMIC EXPANSION

SEC. 13. Part I of the Foreign Assistance Act is amended by adding at the end thereof the following new chapter:

#### "CHAPTER 10—COOPERATIVE ECONOMIC EXPANSION

"SEC. 495. COOPERATIVE ECONOMIC EXPANSION.—The President is authorized to use up to \$2,000,000 of the funds made available for the purposes of this part in each of the fiscal years 1974 and 1975 to assist friendly countries, especially those in which United States development programs have been concluded or those not receiving assistance under section 211, in the procurement of technical assistance from United States public or private agencies or individuals. Assistance under this chapter shall be for the purpose of (1) encouraging development of natural resources of interest to the United States, (2) encouragement of a climate favorable to mutually profitable trade and development, and (3) stimulation of markets for United States exports. Any funds used for purposes of this section may be provided on a loan or grant basis and may be used notwithstanding any other provision of this Act."

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, starting on page 10, line 21, and over to page 17, line 22, and printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there amendments to be proposed to sections 10, 11, 12 and 13? If not, the Clerk will read.

The Clerk read as follows:

#### MILITARY ASSISTANCE

SEC. 14. Chapter 2 of part II of the Foreign Assistance Act of 1961, relating to military assistance, is amended as follows:

(a) In section 504(a), relating to authorization, strike out "\$500,000,000 for the fiscal year 1972" and insert in lieu thereof "\$550,000,000 for the fiscal year 1974".

(b) In section 505(a), relating to special authority, strike out the words "the fiscal year 1972" wherever they appear and insert in lieu thereof "the fiscal year 1974".

(c) Section 513 is amended—

(1) by striking out "THAILAND—" in the section heading and inserting in lieu thereof

"THAILAND, LAOS, AND VIETNAM.—(a)"; and (2) by adding at the end thereof the following new subsection:

"(b) After June 30, 1974, no military assistance shall be furnished by the United States to Laos or Vietnam directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act."

(d) Section 514 is repealed.

AMENDMENT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD: Page 18, in line 3, strike out "\$550,000,000" and insert in lieu thereof "\$600,000,000".

(Mr. BROOMFIELD asked and was given permission to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Chairman, my amendment would raise the authorization for grant military assistance to \$600 million, an increase of \$50 million over the amount authorized by the Foreign Affairs Committee. It would reduce by 7½ percent the amount requested by the administration. But, if adopted, it will still give us a program which will maintain the momentum we have generated in the past few years in moving allied and friendly governments from total reliance on grant American military assistance toward defense self-sufficiency.

I do not believe it is prudent to cut this program by 15 percent. A deep cut of this nature would impede progress toward the creation of stable free world defense establishments which are the essential foundation upon which to build an era of negotiations.

The bulk of our grant military assistance in fiscal year 1974 is designed to assist countries in crucial areas of the world. Turkey, for example, is vital to the southern flank of NATO, is one of the two NATO countries which borders the Soviet Union, and is an important element for stability in the Middle East. If we are unable to fund grant military assistance to Turkey at approximately the levels requested by the executive branch, Turkish armed forces and particularly the ground forces will not be in a position to meet Turkey's NATO requirements. The same is true of Turkish air capabilities.

It makes no sense to desert a NATO ally in this fashion. It costs approximately \$30,000 a year to keep an American man in uniform but only around \$1,000 a year to keep a Turkish man in uniform. The Turks have done a superb job of maintaining in operational condition equipment that we would long ago have stricken as obsolete.

But there is a limit to how far they can go this way. The Turks are fully aware of this problem and have undertaken to spend increasingly more of their own resources for modernization. They have recently for the first time begun to utilize foreign military sales credits—the first step from grant aid toward a self-financed Military Establishment. Given the increased cost of new weapons, however, they will need our help.

Our assistance to Turkey is a good investment for us. It enables a loyal ally to make a substantial contribution to



NATO's common defense burden. The strength and success of NATO has been a key factor leading us to an era of détente and negotiations with the Soviet Union and its Warsaw Pact allies. If we do not maintain NATO's strength we cannot expect to achieve satisfactory results from these negotiations. We must not forget that Warsaw Pact countries, especially the Soviet Union, have shown no signs of cutting back on their defense expenditures even in what is hailed as an era of détente.

Our military assistance to the Republic of Korea is equally important. We are now entering the fourth year for a 5-year Korean modernization designed to move the Korean military toward self-sufficiency. As a result of prior-year cuts in military assistance levels this program has fallen behind schedule. And yet some progress has been made. Korean forces now man the line across the DMZ and their increased capability has enabled us to withdraw over 20,000 American troops from Korea. Korea has also begun the transition from grant military assistance to credit sales to meet her defense needs.

As a result of these programs, the Republic of Korea is in a position to negotiate from strength and has entered into discussions with her Communist neighbor. These talks show real promise of progress toward a period of improved relations on a Peninsula which has been an international flash point for 25 years. Let us not jeopardize this progress now.

Military assistance to Jordan at the levels requested by the Administration is also essential if that nation is to continue to play a constructive role in the Middle East. Our assistance enabled Jordan's Government to take forthright action against the Arab guerrillas. The situation in the Middle East would be far more turbulent today if the Jordanian Government had not been in this position. For all these reasons, I urge that this modest \$50 million amendment be adopted.

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

Mr. BROOMFIELD. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, I should like to commend the gentleman for his amendment and associate myself with his remarks.

If the Nixon doctrine is to work, then we must provide for our friends and to those countries important to our security interests the necessary funds to maintain their own defense. Certainly Korea is a prime example, as the gentleman has mentioned, as are some of these other countries, and I hope that this amendment will be adopted.

Mr. BROOMFIELD. I thank the gentleman for his comments.

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

Mr. Chairman, members of the committee, the gentleman from Michigan wants to increase grant military assistance by \$50 million, and he uses as his justification his desire to see that a substantial amount be provided to South Korea. I think a case could be made for continued substantial grant aid to South Korea, but let me make the point that

what we are talking about in this bill is a quarter of a billion dollars of grant aid to Korea. It is not loan money, not money to be repaid some day, but grant military aid to that country.

It is difficult to make an assessment of the military threat facing South Korea when one recognizes that the South Korean army is twice as large as the army in North Korea—twice as large. If we stay with the committee amount of \$550 million, there will still be an additional \$119 million available in transfers and other availabilities.

Therefore, we are talking about a program that will be about \$670 million. If we stay with the committee amount, the reduction in the Korean program is very small, only about 10 percent. It will still leave Korea with somewhere in the neighborhood of \$230 million of grant military aid.

I think that grant military aid is not one of the wiser efforts in our international affairs. I think the gentleman from Michigan is right, that we should move away from grant aid as we are able to do so. We accept the fact that Korea still needs substantial grant aid, but a reduction of 10 percent from the administration's initial request is not too much, particularly when it is recognized that the amount the committee provides is the same amount as was provided last year. In other words, the committee figure is roughly the amount available last year under the continuing authorization.

Therefore, I would strongly urge the Members to stay with the committee figure, which represents a cut in the military grant aid which is a very modest cut and brings it to last year's level. It is a program we do want to move out of as rapidly as we are able to.

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

Mr. FRASER. I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, as I read the amendment offered by the gentleman from Michigan, it gives no assurance that any of the extra \$50 million would go to Turkey, Korea, or Jordan. It would simply be added to the bill and might possibly go in its entirety to other countries. Am I correct?

Mr. FRASER. The gentleman is perfectly right. Some of the money may go to Cambodia, but for some reason Cambodia has got problems.

Mr. Chairman, I would urge support of the committee position and a vote again against this amendment.

Mr. BUCHANAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to reiterate that this is a small price compared with the price we had to pay in the Korean conflict and the price we had to pay in the Vietnamese conflict, along with many thousands of precious lives which were lost.

The whole idea, as I understand the Nixon doctrine, is that we will substitute economic and military assistance to such nations as Korea for their own military, and in an effort to avoid such involvements as we had in Korea and Vietnam before.

I hope the committee would agree and adopt this amendment.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman from Alabama yield?

Mr. BUCHANAN. I am glad to yield to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, I subscribe to the comments made by the gentleman from Alabama (Mr. BUCHANAN) and support the gentleman from Michigan in his amendment.

I would like to point out that I am told the comparable figure in the other body's bill is substantially less.

With that circumstance, the net result in a conference will be not the House figure but a compromise, and a compromise only downward. So the consequence is that if we believe in helping a country such as Korea—and I happen to believe it should be even broader—then we ought to increase the House figure so that in conference we will end up with a higher figure. As we debate here we should bear in mind the end or final conclusion in the conference report.

We poured literally millions and millions, in fact billions, of dollars into a war in Korea, and we have peace there at present. They are holding the line virtually on their own, with continuous reductions in our own military commitment in South Korea. If we want that U.S. military manpower commitment to go down further, I believe we have to invest more in military hardware for them so that they can defend themselves.

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

Mr. BUCHANAN. I yield to the distinguished gentleman from Louisiana.

Mr. PASSMAN. I am somewhat out of character when I start defending any part of a foreign aid bill.

I believe this observation should be made, however. When the Nixon doctrine was followed we reduced the troop level in Korea from 60,000 to 40,000. That reduction saved \$1.1 billion. The total military modernization program cost only \$1.5 billion over 5 years. So if we put it on another basis, the military assistance program for Korea only cost about \$400 million over 5 years and some of that will be provided under the military credit sales program.

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

Mr. BUCHANAN. I yield to the gentleman from California.

Mr. MAILLIARD. I should like to add, in support of what the gentleman from Michigan (Mr. GERALD R. FORD) said, that we are faced with the fact that the Senate bill has been passed and is here, and their figure is \$420 million compared to the figure in the House bill of \$550 million, which we thought was adequate but minimum. If this amendment is accepted then we will have some prayer of coming out with a figure that will continue the modernization of equipment for the Korean forces, and hopefully at some point in the future will allow us to remove the remaining 40,000 U.S. troops there.

Mr. BUCHANAN. Mr. Chairman, I urge the adoption of the amendment.

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

Mr. Chairman, I have been very close to the military grant assistance program for the past 20 years. I know the story of South Korea and its military requirements as well as anybody in this House.

It is the farthest thing from my mind to weaken the military position of South Korea.

I have studied this authorization. I went over all the program books furnished to us by the executive branch.

I want to tell the Members that this \$550 million we recommended in grant assistance is not just for planes and tanks. A lot of the money will go into packing and crating, and program operations. Some definite savings can be made in these programs. We are not just talking about military hardware here.

The committee went over this whole program. I can assure the Members that South Korea will not sustain a great cutback. If we use a 10 percent across-the-board figure, it would be a reduction of only \$23 million out of \$230 million. Surely some of the savings I have outlined can be made in the program.

If we want to play with numbers, as the minority leader said, because of the low figure in the Senate bill and the figure of \$550 million in the House, we have the assurance of the chairman of the subcommittee of the Committee on Appropriations in this regard. I must say that the gentleman from Louisiana has been more than alert about military needs. His subcommittee has always come forward with every dime it felt was justified in the military authorization for foreign aid over the years. The gentleman from Louisiana has been very acute as to the actual military needs, giving every dime necessary.

I know this from my consultations with him on this.

Our committee did a careful study of this authorization, and I can give assurance to the House that we are not going to buy anything in the conference with the other body that is going to do one bit of harm to the military assistance program. I can assure the Members that, with the figure now in the House bill and the figure in the Senate bill, I believe we can come out with an amount sufficient to meet the needs which have been justified for these programs.

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

Mr. Chairman, I do not propose to take time on this amendment. I know that the House is ready to vote.

I do feel strongly that the amendment is justified. I believe it should be adopted, and I strongly support it.

Let me take my time to discuss an amendment which will be offered later by the distinguished gentleman from Alabama (Mr. BUCHANAN) to increase military credit sales to friendly countries.

Mr. Chairman, one of the important features of this bill is the relaxation of the prohibition on sale of weapons to friendly nations. There should also be relaxation of the limitations on foreign military sales credits. It is undeniably true that a majority of friendly countries which seek to purchase weapons want to

buy them from the United States. They have confidence in our weapons and in their performance. They like to do business with Americans. Each time that we make sales to foreign countries, whether for cash or credit, we can anticipate follow-on orders for spare parts and replacements. We will find that American teams for training in operation and maintenance will accompany the weapons. These can serve as goodwill ambassadors to the foreign nation.

Nations which want weapons are going to buy them somewhere. I prefer to see American industry and American workmen benefit. I know we need a better balance of trade. The program strengthens Free World forces.

Mr. Chairman, the foreign military sales credit appropriation requested for fiscal year 1974 totals \$525 million. With a \$525 million appropriation, a \$760 million program can be achieved. This is possible because of the guarantee authority of the act. The \$52 million proposed by the administration to meet FMS credit multiyear commitments to Greece, Turkey, Malaysia, Korea, China, Brazil, and Israel. This \$52 million is needed to pay U.S. contractors for items already procured by these countries.

If the Congress were to reduce the credit appropriation of \$535 million to a lower amount, we would not be able to offer credit to some and perhaps many of our friendly allies such as Philippines, Lebanon, Morocco, Tunisia, Colombia, Mexico, and Venezuela. The security of these latter countries is important to the United States and they would be unable to acquire equipment essential to their defense and they might find themselves insufficiently prepared in the midst of hostile or potentially hostile neighbors. These countries want to acquire U.S. equipment, but in the absence of credit, they undoubtedly will turn to other sources whose interests and influence may be inimicable to the United States. In addition, most of these countries are recipients of past U.S. grant military assistance and for lack of credit there might be an inability to maintain and protect, often substantial, past investments.

Providing credit assists less developed countries to make the transition from grant aid to self-sufficiency. Any reduction in the FMS credit program means that American companies will lose orders; and for every \$100 million in orders lost, there is a corresponding loss of 10,000 man years of work in the U.S. labor market. The lack of credit will result in the inability of countries, who cannot pay cash on the barrelhead to acquire defense materiel needed in their own defense to replace aged and worn out World War II vintage equipment. I repeat any reduction in the credit program means a corresponding loss of U.S. dollar receipts to help offset a serious balance-of-payments deficit. Any increase provides a corresponding benefit.

Therefore, Mr. Chairman, I shall support the gentleman from Alabama when he requests approval of an amendment to increase on military credit sales.

The CHAIRMAN. The question is on the amendment offered by the gentleman

from Michigan (Mr. BROOMFIELD).

The question was taken; and on a division (demanded by Mr. BROOMFIELD) there were—ayes 21, noes 49.

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 18, line 3, strike out "\$550,000,000 for the fiscal year 1974" and insert in lieu thereof the following "\$450,000,000 for the fiscal year 1974."

Ms. ABZUG. Mr. Chairman, the purpose of this amendment is to strike out roughly \$100 million, and is intended to eliminate military assistance for Cambodia.

In keeping with the history-making events of the past month, I believe that this section of the bill contains an anachronism which should be removed. We are asked to provide grant military assistance to Cambodia. Since the committee began its discussion of this bill, many things have happened.

The House and the Senate have voted to cut off all bombing as of August 15. Although the President, through his aides, has indicated that he may defy the expressed opinion of the Congress and the people, it is inconceivable that he would actually do so. If he did, the constitutional crisis of Cambodia would loom much larger than Watergate.

Mr. Chairman, a few days ago we learned that 3,600 raids were conducted in 1969 and 1970 without even the knowledge of the Air Force Secretary, who unknowingly transmitted false reports.

Even death is not honored: The death reports of some 81 Americans killed in Cambodia were falsified to make it appear that they had died in South Vietnam.

U.S. District Court Judge Oren Judd just ruled that the U.S. bombing in Cambodia is and has been unconstitutional. Many of us in both Houses have insisted for some time that that is the case. How can we then continue to dole out funds with one hand, funds which we have so decisively cut off with the other? How can we say that we deplore these acts which are in defiance of Constitution and that we vigorously object to being deceived and lied to and then continue authorizing more millions for military assistance?

I believe it is very essential that we not continue this deception and not commit the tax dollars of the American people and not pervert our own constitutional responsibility by continuing to grant any kind of military aid by giving these funds to Cambodia in this section of the bill.

This amendment is intended to make clear that this Congress acted to say that we have no legal, constitutional, moral, or other responsibility to continue military activity in Cambodia with the use of American funds. The American people have rejected it and the Congress has rejected it. To continue to do this via the Foreign Assistance Act or what is now called the Mutual Develop-



ment and Cooperation Act is in direct opposition to everything this House has already done. The incorrectness of giving military assistance to Cambodia is I believe untenable in view of the fact that there is a civil war in Cambodia. To whom do we give this military assistance? If we give it to one side as against the other are we not participating illegally in an unauthorized war?

Mr. WOLFF. Will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman.

Mr. WOLFF. I think the gentlewoman makes the point that this amendment would specifically eliminate funds for Cambodia. I can support it if it would do that. But unfortunately this is a general cut. We do not know that it will cut funds for Cambodia. How do you specifically insure we will cut funds for Cambodia?

Ms. ABZUG. The intention and the purpose of this amendment is to cut this amount of money for military assistance to Cambodia.

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

This amendment cuts \$100 million out of the military grant assistance program. If you listened to my remarks when I spoke a few minutes ago about the justification for the \$550 million in military assistance for the 8 countries that are involved, you will know that we have been over this program very thoroughly.

The gentlewoman did state in her remarks that she wants to cut out all of the money for Cambodia. Most of this money is for small arms and ammunition. If there is a successful cease-fire, of course, we will not spend the money. But as long as that government is operating, we are committed. Even the U.S. Senate in its program put in a separate item for Cambodia.

The majority leader said that the Senate's total for grant military assistance is \$420 million. The Senate spelled out several items specifically for Cambodia.

I hope you will defeat the amendment offered by the gentlewoman from New York and live up to our commitment.

Mr. KEMP. Will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman yielding.

I would like to associate myself with his remarks.

I rise in opposition to the amendment offered by the gentlewoman from New York and suggest very briefly to my colleagues that I just returned from Phnom Penh, and I can say that the effect of this amendment would not stop military activity in Cambodia, it would increase military activity, it would deny the Cambodian people the only means after August 15 by which they will have to defend themselves. It will absolutely in my opinion lead to a Communist takeover.

The only thing that is keeping Phnom Penh free today is the fact that there is American assistance in keeping the supply routes open in the Mekong River, and along Highway 4 into the city. But if

we shut off assistance we will be telling them we are turning our backs on them after August 15. Without military and economic aid, it will choke off the city, and it will choke off the only hope that exists for nearly 2 million people in and around Phnom Penh to remain free.

I strongly urge my colleagues in a humanitarian sense not to turn our backs on this tragic part of the world in their desire to remain non-Communist.

Mr. MORGAN. Mr. Chairman, I thank the gentleman from New York (Mr. KEMP) for his firsthand information. I know that the gentleman has just returned from visiting Southeast Asia, and he can give the House the assurances that we are furnishing the Cambodians with some means to carry on their own fight. We do not have any Americans fighting for them, we are just giving them the military assistance which this bill provides.

Mr. KEMP. Mr. Chairman, if the gentleman will yield further, it is interesting that on August 15 by action of the House we are cutting off any attempt by the administration to continue combat activities in or over Cambodia, but by this act we are going even further, and saying that after August 15 that they will not have American military assistance in their desire to defend themselves this would indeed be tragic.

Eighty-five percent of the Cambodian population are of Buddhist persuasion. Admittedly, they are having a difficult time defending themselves, but this would absolutely shut off any opportunity that they have to defend themselves.

I think the amendment offered by the gentlewoman from New York (Ms. Abzug) should be overwhelmingly defeated by my colleagues.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug).

The amendment was rejected.

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

The CHAIRMAN. The Chair will count. Ninety-two Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 394]

Arends	Gettys	Milford
Ashley	Goldwater	Mills, Ark.
Barrett	Gunter	Mosher
Blackburn	Hanna	Murphy, N.Y.
Boland	Hansen, Wash.	Patman
Camp	Harsha	Rees
Clark	Hawkins	Regula
Clay	Hébert	Roe
Cochran	Jarman	Rosenthal
Crane	Kastenmeier	Slack
Dickinson	King	Stanton
Diggs	Landgrebe	James V.
Ellberg	Landrum	Stephens
Evins, Tenn.	Lehman	Teague, Tex.
Fish	Lott	Thompson, N.J.
Fisher	Mathis, Ga.	Veysey
Flowers	Melcher	Winn
Fuqua	Michel	

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. 9360, and finding

itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 381 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. HAYS. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. HAYS was allowed to speak out of order.)

ANNOUNCEMENT REGARDING BUFFET IN DINING ROOM TONIGHT

Mr. HAYS. Mr. Chairman, I take this time, which will amount to about 30 seconds, to announce to the Members that since it appears we are going to be here late, there will be a buffet in the dining room tonight at the regular price, \$4, and all you can eat.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 18, line 3, following the figure 1974, insert the following: "Provided, That none of the funds appropriated pursuant to this subsection shall be used to furnish assistance to Cambodia."

Ms. ABZUG. Mr. Chairman, the provision of this section to which I propose this amendment concerns appropriations for military assistance for Cambodia.

As I said before, I believe that it is inconsistent for us to give military assistance to Cambodia, when we have acted in this House to cut off funds from our Government's illegal and unconstitutional activity in that country. At a time when it has become clear that the entire military operation in Cambodia on the part of this Government has been conducted without the knowledge of the Congress, through falsified reports, through concealment of even the loss of lives of 81 Americans, it would be wrong to provide military assistance to that country. The recent court decision which holds that our military activity in Cambodia is unconstitutional should give us pause. Do we want to perpetuate this by becoming involved in authorizing military aid to one side as against another in a civil war in that country?

I believe that we cannot continue to dole out with one hand the funds that we have decisively cut off with the other. I believe that to be consistent, to protect the interests of our Constitution, the taxpayers' money, and the overwhelming expression of the American people who have said they do not want us to participate in Cambodia, it is necessary for us to amend this subsection, and I urge the Members of this body to support it.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. Yes, I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentlewoman for yielding. I rise in support of this amendment.

One of the most stirring moments that I have had in this House was when the gentleman from Georgia (Mr. FLYNT) spoke about the insanity of our involve-

ment in South Vietnam. He pricked the conscience and the heart of every Member of this House, and now the gentleman's amendment should cause each Member of this House to raise these questions:

How many more killings unnecessarily?

How many more maimings unnecessarily?

How much more straining of the credibility of this system of Government unnecessarily, because of our involvement in Cambodia?

Mr. Chairman, I, too, urge and plead with the Members to support this amendment.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment as I understand it.

Mr. Chairman, I ask unanimous consent that the amendment be reread.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the amendment.

Mr. HAYS. As I read the amendment, this just takes out all assistance, supporting assistance, Public Law 480, and the whole ball of wax. Now, I do not know who the gentlewoman wants to win in Cambodia. I do not want to get into that. However, whoever it is, if this amendment passes, they are out of the ball game. I think this is one of the dangers of trying to legislate hastily with a handwritten amendment. I do not know whether the gentlewoman wants to go that far or not.

Ms. ABZUG. Will the gentleman yield?

Mr. HAYS. I will be glad to yield.

Ms. ABZUG. As I read this section of the act, we are dealing with military grants. We are talking about military grant assistance. My amendment says assistance pursuant to this subsection, and this is the subsection which deals with the question of military grant assistance. It does not deal with any other kind of assistance. Pursuant to this subsection, I believe it would be inappropriate for us to continue to give military assistance to Cambodia. It is in contradiction to the actions by this House and entirely in contradiction to what I think our objectives are in Cambodia.

Mr. HAYS. I yield to the gentleman to try to clarify it, but let me say that there is \$75 million in supporting assistance which will be used primarily for humanitarian aid to refugees and for reconstruction and things like that and a multilateral support fund which is supporting assistance to help the Cambodian economy survive.

I am not a great supporter of this bill. In fact, there is so much in it that I cannot stomach that I am probably going to vote—in fact, not probably but undoubtedly—against the whole ball of wax.

But if it does happen to pass and you do want to do any of the things this bill stands for, such as humanitarian aid and reconstruction and refugee aid, then you ought not to strike this section out. That is the whole sum and substance of what my argument is.

Ms. ABZUG. Will the gentleman yield?

Mr. HAYS. I have yielded the gentleman most of my time.

Ms. ABZUG. The other items you refer to are in other subsections of this bill. This amendment confines itself specifically to the military assistance subsection of this program, and the amendment so states.

Mr. HAYS. I refuse to yield further.

What you should have said, if you want to strike out military aid, is you should have written your amendment so that it was definitive and would have said "shall not be used to support military assistance to Cambodia." However, you did not. You said none of this money to be appropriated by this section shall be used to furnish assistance to Cambodia, and I think the amendment ought to be defeated.

Ms. ABZUG. It says under this subsection.

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

Mr. Chairman, I find it difficult to understand just what the gentlewoman from New York (Ms. Abzug) really wants to do in her amendment other than to take whatever possible chance for survival that Cambodia might possibly have.

She speaks of action that the House took recently, we took an action that terminated all bombing by American planes in Cambodia as of August 15. I supported that. However, I do not see any reason why we should lay this country open to the obvious threat of Communist forces and to the obvious invasion by North Vietnam and simply say to them that we have stopped the bombing and we are pulling out all support. The effect would simply be to turn Cambodia over to the Communists. I do not think that is the intent of the Congress or the American people.

Mr. Chairman, many of us present listened yesterday to the former Secretary of State and the Secretary of State. We learned of the importance of the situation in Cambodia. There was no attempt on the part of the Secretary and in fact he very distinctly said he would not make any recommendation for the continuation of bombing in Cambodia after August 15.

To me it would be criminal to lay that country open to the outright violations of the so-called peace agreement in Paris, and to let the North Vietnamese have this country, in effect, on a silver platter.

I hope the amendment will be strongly defeated.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not going to suggest to anyone in the Chamber whether they should vote for or against the proposition offered by the gentleman from New York. I think each Member can make up his own mind on whether or not we should continue to give military assistance to Cambodia, or to any other nation.

But I do want to stress one point. I believe that the Congress, come August 15, will have regained much of its constitutional prerogatives and powers which it has heretofore lost or given away, as a result of the recent coura-

geous action by the Congress in compelling the cessation of U.S. combat activities in Cambodia.

I want to make it clear that the pending amendment is not a related matter or a similar matter, but that it is something absolutely different. It should not be interpreted by the American people or the press or radio and TV that whatever action we take here today on this amendment will have anything to do with the very firm decision of the Congress, taken last month, that we cease U.S. combat activities in Cambodia.

This amendment, as I understand it, addresses itself to a totally different principle, and that is, should the United States assist other countries, including Cambodia, by furnishing them military equipment. The Members can make up their own minds on that.

I absolutely am certain that there are other countries, Communist countries, which will continue to furnish military supplies to other factions in Cambodia. Whether the United States should continue to furnish supplies to the factions it supports in Cambodia is a proposition which the Members can determine and judge. But it should not be related in any way, and the results of the vote on this amendment should not be related or connected in any way with the very firm position which the Congress took several weeks ago in demanding that the U.S. combat activities cease in Cambodia.

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

Mr. GIAIMO. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, the gentleman from Connecticut is exactly right. He has made it explicitly clear that there is no connection between the two. The fact that the August 15 date, which we accepted in conference in another bill, and it is in several bills, has been set, is a firm date that the United States shall cease military activities on its own.

The gentleman from Connecticut also made perfectly clear that the Communists will most surely continue to help their factions who are Communist in Cambodia in trying to take over there. And the House has a clear choice as to whether we should support this amendment and say yes, the Communists can take it over, or whether they should not. That is just about how it comes out.

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

Mr. GIAIMO. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I would like to find out if what the gentleman is saying is correct; does that mean if this amendment fails that an amendment might be more appropriate such as that suggested by the gentleman from Ohio (Mr. Hays) that we strike the entire section?

Mr. GIAIMO. The gentleman from Michigan will have to make his own interpretation on that. I think what I have said is quite clear, that I do not want anyone to leave this Chamber today, and I do not want the American people to infer from any action that we take on this amendment that we are in any way changing our congressional position on



the very firm position we took several weeks ago that we must stop combat activity in Cambodia by August 15.

Mr. CONYERS. I thank the gentleman.

Mr. MORGAN. Mr. Chairman, if the gentleman will yield, I want to say that if we strike the entire section we strike military assistance all over the world. There are \$550 million in this section. If we strike the entire section then we strike it out for all the other AID countries.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from New York.

Ms. ABZUG. Mr. Chairman, I think that the gentleman from Connecticut misstates the argument. What I am suggesting is that our military assistance and our military activity in Cambodia has been very succinctly rejected in this House and in the other body. The other activities that have been carried out by our Government without the knowledge of this Congress have made it clear that we should not be involved militarily in Cambodia. We may express our opposition to involvement in Cambodia in many ways. One of the ways is that we moved to terminate funds for military action by August 15. I am suggesting that another way to make that policy clear is not to grant military assistance in that country, in view of the entire picture, which I do not want to take the time of this body to go into. It does not mean that we are negating any previous action. I believe this would be consistent with our previous action, and not to support this amendment would be indecent.

MOTION OFFERED BY MR. MORGAN

Mr. MORGAN. Mr. Chairman, I rise to move for a time limitation on this amendment. I do not think it is that important.

Mr. Chairman, I move that all debate on this amendment and any amendments thereto close in 10 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

The CHAIRMAN. Members standing at the time of the limitation on debate will be recognized for approximately 3½ minutes each.

The Chair recognizes the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, when I listened to the argument for the amendment introduced by the gentleman from New York, I was persuaded that it was a valid amendment. Then when I listened to the arguments against the amendment by the gentleman from Ohio, I thought there was some logic in the point that he was making. He suggested, among other things, what I thought was a capital idea: that we strike the entire section.

Now, my friend, from Connecticut, a distinguished member of this committee, now explains to me that that would be more disastrous. What I am trying to find out is, can we establish the facts surrounding the consideration of this amendment so I will know how to vote on it? Are we in point of fact merely

limiting as the gentleman intended through her amendment, or are we doing something more disastrous that will be misconstrued by the media and the American public and maybe even the Congress? Can someone help me before we run out of the 10 minutes that remain for debate on this amendment?

Mr. MORGAN. In my opinion, the gentleman's amendment is limited solely to military grant assistance.

Mr. CONYERS. What about the amendment of the gentleman from Ohio to strike the entire section, which appeals to me even more than the amendment of the gentleman from New York, to be perfectly honest with you.

I will yield further to the chairman for an answer.

Mr. MORGAN. The amendment would cover military aid to Cambodia. The gentleman's amendment reads: shall not be used to furnish assistance to Cambodia. Of course, the gentleman from Ohio's proposal, I assume, would stop all assistance. All assistance would be \$75 million for supporting assistance, and \$180 million for military grant assistance, plus some support from Public Law 80.

Mr. CONYERS. If the gentleman's amendment does not succeed—and I hope it does—I will be waiting anxiously to support the gentleman from Ohio's amendment, if he chooses to implement his suggestion.

I yield back the balance of my time.

Mr. KEMP. Mr. Chairman, I rise very briefly in opposition to the amendment offered by the gentleman from New York and I should like to correct what I think was a mistake in her argument. She said that this Congress has overwhelmingly rejected the idea of military assistance to nations attempting to defend themselves. I would suggest that the concept of military assistance has not been rejected by the Congress. In fact, I would suggest, that it is a major part of the essence of President Nixon's Guam doctrine, and has been supported by this Congress. I believe it is the only viable alternative to isolationism, especially as it relates to this issue, the defense needs of millions of people in Cambodia and other parts of Indochina attempting to defend themselves against Communist aggression with the help of American military assistance.

The issue here is not American bombing or American involvement. It is whether or not we intend to turn our backs on these Hanoi threatened people and say, "After August 15 we are not going to give you any assistance, military or otherwise, to help yourselves in the defense of your country."

I think that would be a tragic mistake. Having just returned from Cambodia I would suggest that the Congress ought to stop whipping American foreign policy in Southeast Asia. I can say, first hand, that there would be no semblance of freedom or neutrality or independence or chances for a non-Communist takeover in Southeast Asia if it were not for American assistance.

Frankly, after this, my third trip to Southeast Asia, I've observed much prog-

ress, sure there have been mistakes and tragedies in that area over the last 10 years.

There are many good things this country has accomplished in that part of the world. I think the fact that Laos today is still free and has a cease-fire, South Vietnam has a cease-fire and is non-Communist, and I still hope that Cambodia can be kept free. I would suggest that to turn our backs on this beleaguered part of the world at this time would be a tragedy beyond comprehension with implications that go far beyond just the borders of Cambodia.

Someone said earlier that it is an insane policy. What is insane about helping people defend themselves? I would suggest the insanity would be if we should turn our backs on Cambodia by cutting off all hopes of these people to defend themselves. Mr. Chairman, I urge my colleagues to overwhelmingly defeat this amendment.

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

Mr. KEMP. I yield to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I want to congratulate the gentleman on his statement. I hope the amendment will be overwhelmingly defeated.

Virtually everyone in Congress and in the country wants to see peace in Southeast Asia. Quite obviously, Cambodia is the weakest link if there is to be peace, so commonsense dictates, if for no other reason, that we do have an opportunity to provide military assistance to that beleaguered country.

Mr. Chairman, I congratulate the gentleman from New York on his statement.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's remarks.

I would only make the further mention of the fact that there are 40,000 North Vietnamese troops in Cambodia, 10,000 of which are in direct support of the Communist insurgents. This insurgency in Cambodia is exported and supported by Hanoi. There are 40,000 North Vietnamese troops in Cambodia in total violation of article 20 of Paris Peace Agreement. Cambodia needs our support in their defense efforts not just for Cambodia alone but for what it means to all Indochina and the Nixon doctrine around the world.

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

Mr. Chairman, this is a fallback position for the gentleman from New York. For those Members who were not here before the quorum call, she offered an amendment to cut \$100 million out of this program. Now, her fallback position is that she does not want to give a single dime to Cambodia.

We are not going to have any troops over there in Cambodia. We are not going to be involved in bombing after August 15. I voted for the deadline of August 15 to stop the bombing. But we cannot possibly say to the Cambodian people in this bill, "We are not going to furnish you one single bullet to defend yourselves."

It would be the most cruel shock, and

I agree with both the gentlemen from New York who stood in the well and with Mr. KEMP, of New York, that it would be an impossible position for both the Cambodians and our Nation.

We are not going to be sending soldiers in to shoot or man these guns. If we are going to cut off Cambodia, why not cut off aid to other countries where we have military assistance programs such as Jordan, the Philippines, Vietnam, or South Korea?

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Chairman, in recent days there is evidence that there are Americans in Cambodia in violation of the actions of this Congress and the Constitution. The Members who have spoken suggest that our policy of rejecting our military participation in Cambodia should be considered only in connection with a military appropriations bill or in connection with other bills of this House, but not this bill for military assistance. The fact is that if we are not consistent in our actions, what we are doing is not helping the Cambodian people nor carrying out our own expressed policies. I believe we ought to help the Cambodians, peacefully, not with military assistance.

Mr. MORGAN. Mr. Chairman, I did not yield to the gentlewoman from New York for a speech.

I just want to say that I happen to know that the only Americans in Cambodia are those who have been authorized by this House and by this Congress to help in the grant military assistance program, and that is all. There are no combat troops in Cambodia. We heard the Secretary of State just yesterday on that subject. Let us not let these people down by stopping their grant military assistance.

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

Mr. MORGAN. I yield to the gentleman from New York.

Mr. KEMP. I certainly agree with the gentleman's remarks. By law, that is the Foreign Assistance Act of 1971, as amended by the Cooper-Church amendment, there is no authority for any U.S. ground troops or advisers to be involved in Cambodia. There are only 200 advisers and to suggest that there are American troops in Cambodia is a complete misrepresentation of the facts.

Mr. MORGAN. The gentleman is absolutely right. It has been wrapped up tight. There cannot be American troops over there. Let us not deny these people what they need to defend themselves.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Ms. Abzug).

The question was taken; and on a division (demanded by Ms. Abzug) there were—ayes 26, noes 105.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ROUSH

Mr. ROUSH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROUSH: On page 18, strike out line 18.

Mr. ROUSH. Mr. Chairman, I would

call the attention of the Members to the committee report, page 41, which gives an explanation of the committee action with reference to this particular amendment. What the bill does is to repeal section 514 of the Foreign Assistance Act of 1971. Section 514 of that act requires recipients of grant military assistance, including excess defense articles, to deposit in local currency an amount equal to 10 percent of the value of such assistance for use by the United States to pay its official local currency costs in that country.

This has been in existence only since we passed the Foreign Assistance Act of 1971. I see nothing wrong with that provision of the law. It should remain in the law.

I sit on the Foreign Operations Subcommittee of the Committee on Appropriations. I heard testimony with regard to the insistence that this particular section of the law be repealed, and I could not have been convinced by the testimony I heard.

Members will note in the report the example which is given refers to Korea, and that Korea is required to set aside \$20 million out of its total defense budget of \$360 million. But if they are required to set aside \$20 million I would assume that means they are receiving \$200 million in military grant assistance or in excess U.S. property. It does not seem too much to me to require that the law be complied with.

This was not mentioned in the testimony before my own committee. We were told that this was an affront to certain of these countries, that it was demeaning to them for us to require that they set aside 10 percent, for example, of the cost of sending an officer to the United States for training. It seems to me they should be willing to make such a contribution.

I hope the committee will agree with me, and adopt my amendment.

Mr. Chairman, it is both frightening and depressing to know that the June 30 estimates of the Bureau of Narcotics and Dangerous Drugs figure heroin users now at 626,000 with an estimated cost of \$18 million daily to support their addiction. Obviously this must and does lead to crime to support their habit. A special task force report this year submitted to the criminal law section of the American Bar Association and the Drug Abuse Council further concluded.

The United States has the greatest concentration of heroin addicts in the world and represents the world's most lucrative market for all kinds of opiates.

Two years ago, the Foreign Affairs Committee, responsive as always to congressional concern, provided authority for the President to make the decision to cut off foreign assistance when recipient countries were found remiss in efforts to prevent the unlawful disposal of drugs produced in their country from reaching the United States. Under that amendment the President can cut off foreign aid when he determines that a country has failed to take adequate steps to prevent narcotic drugs and other controlled substances—as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970—produced or

processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to U.S. Government personnel or their dependents, or from entering the United States unlawfully.

Despite the intensity of our drug problem the President has never used this provision, which I believe is an important weapon in the fight to control drug abuse in the United States.

Perhaps some of you saw the newspaper article of a few weeks ago about the Afghan farmers who are harvesting a bumper crop of opium poppies on land newly developed, irrigated, with U.S. foreign aid. No, the money was not intended for that purpose, but that is where it went. The same article mentioned the lack of enthusiasm on the part of the Afghan Government in curbing the growth of opium poppy or in pushing farmers, traffickers, and smugglers to cease this activity. Supposedly, a "threat" of the removal of foreign aid was transmitted. I do not think that a threat is enough and I think it is time we take decisive action. There are those in this country urging strong penalties for drug traffickers in the United States. I do not see how we can consider such action if we do not deal firmly with those countries which produce the basic ingredient, opium poppies, and then allow trafficking internationally.

The committee bill does offer a large dose of persuasion in the form of financial assistance to countries to help them combat the drug problem; we will help them isolate the disease and eliminate the crop that causes it in the amount of \$50 million for international narcotics control in each of the fiscal years 1974 and 1975.

But I do not believe that this is enough, it has not proven to be so far, and I believe that those Members of Congress whose constituents are daily victims of drug traffic will recognize the need for and support this amendment. What we have is a national problem, even though some areas of the country may escape the epidemic quality that drug abuse reaches in our large cities.

It seems to me that it is time for straight talking and straight thinking. We have offered these countries a large carrot in assistance and I believe we must back that up with an equally obvious stick. I would hope the President would act more forcefully.

For example, two-thirds of the "Golden Triangle," namely, Thailand and Laos both do receive foreign assistance and the Golden Triangle is a major source of opium.

I would ask why we should condone with foreign assistance funds the inability of countries to police illicit drug production, when the results of that failure are felt so severely here in the United States? Do we not encourage such apathy and inefficiency, not to say as we should also, corruption, by our accepting attitude?

Two years ago a gentleman from the U.S. Bureau of Narcotics and Dangerous Drugs, Department of Justice, made a statement I have not forgotten. He told the chairman of that subcommittee



on Europe of the House Foreign Affairs Committee that—

The United States is a victim Nation in the heroin traffic. With all the determination and resources of the Government, with all the support of the American people and our State and local police and courts, the problem can never be solved on a completely domestic basis.

And he was so right; we are still a victim nation and only decisive action will change that fact.

A staff survey team of the Committee on Foreign Affairs in January of this year issued a report dealing with United States and Southeast Asian countries efforts against the international drug trafficking. They recommended that the United States continue to "apply diplomatic and economic pressures at the highest levels of government in Southeast Asia to insure that there is no weakening of narcotics suppression efforts which have been started." They also recommended that where conclusive evidence showed high ranking of influential figures involved in narcotics, the U.S. Government should strongly urge those governments to prosecute such individuals more vigorously than has been the case in the past. And then they concluded:

If these efforts are unsuccessful, the United States should terminate all economic and military assistance to that country.

That is exactly the stand I take today. If these countries do not stem the production and transportation of narcotic drugs, then foreign economic and military aid should be removed. Somehow we must quarantine the American people from further infection with a drug culture which destroys and wastes lives, ravages families, produces crime and corruption, and weakens our society.

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

Mr. Chairman, this amendment was put in the other body first by Senator Fulbright, who wanted the deposit as high as 25 percent. Of course, it is a method of seeking to kill grant military assistance.

If we are going to help these countries, there is no use penalizing them by requiring that they deposit 25 percent, or 15 percent, or 10 percent, in local currency, because it makes it difficult for them to afford to take grant military assistance.

What do we want to use these special local currency funds for?

One Senator in the other body thought that they should be used for cultural purposes, and so forth.

Mr. Chairman, I just cannot see how military assistance can succeed in this fashion. I specifically want to state for the benefit of the gentleman from Indiana that South Korea is a country to which we can point here. There is \$263 million of grant military assistance here for Korea. A 10-percent deposit would amount to \$26.3 million in their own local currency which must be paid out of their defense budget.

I just cannot see that we can agree to require such a deposit and live up to our agreement under the program set up for South Korea.

I have no reason to support such an amendment here in the House. As I said, it originated over in the other body 2 years ago. It has never worked. It has been ineffective. And as I said, for those who wish to squeeze out grant military assistance entirely, this is a step in that direction.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. ROUSH).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

#### SECURITY SUPPORTING ASSISTANCE

SEC. 15. Section 532 of chapter 4 of part II of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "for the fiscal year 1972 not to exceed \$618,000,000, of which not less than \$50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1974 not to exceed \$125,000,000 of which not less than \$50,000,000 shall be available solely for Israel".

#### INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 16. (a) Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new chapter:

#### "CHAPTER 5—INTERNATIONAL MILITARY EDUCATION AND TRAINING

"SEC. 541. STATEMENT OF PURPOSE.—The purpose of this chapter is to establish an international military education and training program which will—

"(1) improve the ability of friendly foreign countries, through effective military education and training programs relating particularly to United States military methods, procedures, and techniques, to utilize their own resources and equipment and systems of United States origin with maximum effectiveness for the maintenance of their defensive strength and internal security, thereby contributing to enhanced professional military capability and to greater self-reliance by the armed forces of such countries;

"(2) encourage effective and mutually beneficial relationships and enhance understanding between the United States and friendly foreign countries in order to maintain and foster the environment of international peace and security essential to social, economic, and political progress; and

"(3) promote increased understanding by friendly foreign countries of the policies and objectives of the United States in pursuit of the goals of world peace and security.

"SEC. 542. GENERAL AUTHORITY.—The President is authorized in furtherance of the purposes of this chapter, to provide military education and training by grant, contract, or otherwise, including—

"(1) attendance by military and related civilian personnel of friendly foreign countries at military educational and training facilities in the United States (other than the Service Academies) and abroad;

"(2) attendance by military and related civilian personnel of friendly foreign countries in special courses of instruction at schools and institutions of learning or research in the United States and abroad;

"(3) observation and orientation visits by foreign military and related civilian personnel to military facilities and related activities in the United States and abroad; and

"(4) activities that will otherwise assist and encourage the development and improvement of the military education and training of members of the armed forces and related civilian personnel of friendly foreign countries so as to further the purposes of this chapter, including but not limited to the assignment of noncombatant military training instructors, and the furnishing of

training aids, technical, educational and informational publications and media of all kinds.

"SEC. 543. AUTHORIZATION.—To carry out the purposes of this chapter, there are authorized to be appropriated to the President \$30,000,000 for the fiscal year 1974. Amounts appropriated under this section are authorized to remain available until expended.

"SEC. 544. ANNUAL REPORTS.—The President shall submit no later than December 31 each year a report to the Congress of activities carried on and obligations incurred during the immediately preceding fiscal year in furtherance of the purposes of this chapter. Each such report shall contain a full description of the program and the funds obligated with respect to each country concerning which activities have been carried on in furtherance of the purposes of this chapter."

(b) The Foreign Assistance Act of 1961 is amended as follows:

(1) Section 503(d), relating to general authority, is amended by striking out the comma and the words "including those relating to training or advice".

(2) Section 504(a), relating to authorization, is amended by striking out "(other than training in the United States)".

(3) Section 510, relating to restrictions on training foreign military students, is repealed.

(4) Section 622, relating to coordination with foreign policy, is amended as follows:

(A) In subsection (b) immediately after the phrase "(including civic action)" insert the words "and military education and training".

(B) Subsection (c) is amended to read as follows:

"(c) Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of economic assistance, military assistance and military education and training programs, including but not limited to determining whether there shall be a military assistance (including civic action) or a military education and training program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby."

(5) Section 623, relating to the Secretary of Defense, is amended as follows:

(A) In subsection (a)(4), immediately after the word "military", insert the words "and related civilian".

(B) In subsection (a)(6), immediately after the word "assistance", insert a comma and the words "education and training".

(6) Section 632, relating to allocation and reimbursement among agencies, is amended by inserting in subsections (a), (b), and (e) immediately after the word "articles", wherever it appears, a comma and the words "military education and training".

(7) Section 636, relating to provisions on uses of funds, is amended as follows:

(A) In subsection (g)(1), immediately after the word "articles", insert a comma and the words "military education and training."

(B) In subsection (g)(2), strike out the word "personnel" and insert in lieu thereof the words "and related civilian personnel".

(8) Section 644, relating to definitions, is amended as follows:

(A) Subsection (f) is amended to read as follows:

"(f) 'Defensive service' includes any service, test, inspection, repair, publication, or technical or other assistance or defense information used for the purposes of furnishing military assistance, but shall not include military educational and training activities under chapter 5 of part II."

(B) There is added at the end thereof the following new subsection:

"(n) 'Military education and training' in-

cludes formal or informal instruction of foreign students in the United States or overseas by officers or employees of the United States, contract technicians, contractors (including instruction at civilian institutions), or by correspondence courses, technical, educational, or information publications and media of all kinds, training aids, orientation, and military advice to foreign military units and forces."

(c) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken or entered into under authority of any provision of law amended or repealed by this section shall continue in full force and effect until modified by appropriate authority.

(d) Funds made available pursuant to other provisions of law for foreign military educational and training activities shall remain available for obligation and expenditure for their original purposes in accordance with the provisions of law originally applicable thereto, or in accordance with the provisions of law currently applicable to those purposes.

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 16, extending from line 4 on page 19 through line 25 on page 24, be considered as read and printed in the RECORD.

Mr. Chairman, I know of no amendments to this section.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

#### PROHIBITIONS

SEC. 17. (a) Section 620(e) of chapter 1 of part III of the Foreign Assistance Act of 1961, relating to expropriation, is amended by striking out paragraph (1), by striking out "(2)" at the beginning of paragraph (2), and by striking out "subsection: Provided, That this subparagraph" and inserting in lieu thereof "section (as in effect before the date of the enactment of the Mutual Development and Cooperation Act of 1973): Provided, That this subsection".

(b) Section 620(n) of such chapter, relating to equipment materials or commodities furnished to North Vietnam, is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "unless the President finds and reports, within thirty days of such finding, to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House that such assistance is in the national interest of the United States."

(c) Section 620(o) of such chapter, relating to seizure of fishing vessels, is repealed.

#### AMENDMENT OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: Page 25, strike out lines 19 and 20.

Mr. ANDERSON of California. Mr. Chairman, this amendment would strike that section of the committee bill which nullifies a part of the current law expressing Congress' objection to foreign aid to countries which violate international law by seizing our fishing vessels that are in international waters.

First, let me read the provision which the committee bill deletes. If you want to find it, it is on page 45 of the report of the bill. The current law says:

In determining whether or not to furnish assistance under this Act, consideration shall be given to excluding from such assistance any country which hereafter seizes, or imposes any penalty or sanction against any United States fishing vessel on account of its fishing activities in international waters.

Very simply, the present law urges the administration to deny aid to those countries which violate international law by seizing our fishing vessels. It does not require them to withhold aid.

If anything, this language is too weak, because it has not stopped the Department of State from doling out foreign aid to pirate nations which arbitrarily extend their jurisdiction out into international waters.

In fiscal year 1971 Ecuador collected \$5.6 million in U.S. foreign aid while collecting \$2.5 million in ransom from the 51 ships she seized. Peru collected \$32.7 million in foreign aid in fiscal year 1972, but they also received \$742,620 from the 23 ships they seized.

But, rather than strike out the law which expresses our disapproval and, thus, invite the State Department to grant even more aid—rather than delete the law and encourage other nations to join the international pirates, it seems to me we should direct the State Department to withhold aid.

However, we are all aware that the Law of the Sea Conference is underway, seeking answers to the question of sovereignty off coastal shores. Perhaps, before we have tough mandatory sanctions against piracy, and before we eliminate the current, permissive law, let us see what the conference comes up with. But, let us at least keep the current law in effect which urges the President to withhold aid to pirate nations.

Let us keep the seas open, and let us discourage arbitrary actions by other nations in violation of international law.

I ask for an "aye" vote on this amendment, at least expressing our disapproval of giving aid to nations who violate international law.

Mr. STUDDS. Will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I thank the gentleman for yielding. I want to associate myself with his remarks.

Those of us who serve on the Committee on Merchant Marine and Fisheries and who have been trying to make a case for this Nation standing firmly in defense of its own fisheries have, as the gentleman knows, become increasingly opposed to this. It would appear to us to be the tendency of our Department of State to bend over backward to accommodate the claims of other countries in the protection of their resources.

The Brazilian shrimp agreement to which the committee report refers is now before our committee.

As the gentleman in the well knows, the Government of Brazil has exercised claims to rights 200 miles out to sea for their fisheries and have actually asked to be reimbursed for costs incurred by the Brazilian Navy in seizing our fishing vessels.

I have no objection to supporting the shrimp fishermen on the Gulf Coast of

this country, but I will be darned if I will accede to the claims on the part of Brazil before we are prepared to have similar claims exercised on behalf of our own fishermen, particularly those of New England.

Mr. ANDERSON of California. I thank the gentleman from Massachusetts for his comments.

Actually, what this portion of the committee report says is, with regard to the Law of the Sea Agreement is, that the committee believes fishery disputes can and should be resolved through interim arrangements, and it suggested that the agreement with Brazil on shrimp is a good one. When we read it for the first time, it shocked me when I found that our country had entered into such an agreement. First, this agreement sanctions and recognizes the Brazilian claim that she has jurisdiction 200 miles from her shores. It thus establishes a precedent by which other nations could claim 200 miles and expect U.S. recognition and obedience to their laws.

Secondly, this agreement subjects our fishing vessels to Brazilian regulations while in international waters. As a result, a Brazilian national could board a U.S. vessel, examine the log, inspect the ship, and enforce Brazilian regulations.

Third, and perhaps most shocking, we are asked to pay the Brazilians \$200,000 a year so that they can enforce their own rules.

We pay \$200,000 a year to have the Brazilian Government enforce the treaty, and for every day that they take one of our ships into a Brazilian port we pay \$100 in additional fines.

When that was brought before us I said that this may be what the shrimp people would like, but I am not sure that any tuna fishermen are going to like the thought of it.

Mr. MAILLIARD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when the committee added this paragraph I considered it very unwise to do what the committee did, but I did not have the votes to support that position. And while I do not necessarily concur in all of the arguments that are being made, it does seem to me that with the Law of the Sea Conference imminent, that this is not exactly the time for the Congress of the United States to take an action which might lead people to believe we are not concerned about the seizure of our vessels, which has been going on for a long time.

I do agree with the committee that this provision of law has not amounted to a heck of a lot. Nevertheless, I think we would be sending up the wrong signals while we are in negotiations, if we repeal the section at this point.

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

Mr. MAILLIARD. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, does not the gentleman believe that an attitude of turning the other cheek and letting this happen to us, is to invite other actions on the part of other small nations? I am sure the gentleman realizes that in the



early history of our country we took on the Barbary pirates for something we felt we could stand up against. And I think now that we are the largest nation on Earth that if we just simply allow every little small nation to take advantage of us then I think that we are inviting further trouble. I certainly do not think we should go too far, but we should stand firm and let them know very distinctly where we will not be robbed of the fishing rights of our citizens.

Mr. MAILLIARD. I think that is right. I am afraid that we have done precisely that. But the reason I object, although generally speaking I think these limiting provisions in the Foreign Aid Act have not been useful, because it has been on the books for some time. I believe that to repeal this legislation would convey a message that is not the correct message, or sentiment of the Congress.

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

Mr. MAILLIARD. I yield to the gentleman from Iowa.

Mr. CULVER. Mr. Chairman, I think, as the gentleman I am sure knows, that one of the most serious reasons for the action of the committee was the fact that there is a strong feeling that these legislative sanctions have proven to be completely counterproductive in bringing about the desired results, and have not brought a climate of cooperation in these negotiations that we must have on these questions.

In the case of Ecuador, for example, when these sanctions were applied the result was not good-faith negotiations that resulted in a mutually acceptable settlement of the fishing dispute; rather, what actually took place was a very dangerous erosion in terms of our general foreign policy interests. They actually forced out of their country the U.S. military mission there. They expressly refused to go into any other fishing negotiations, and they actually went ahead and seized even more ships.

No one is going to contest the desirability, certainly, of bringing about a settlement or a far more satisfactory arrangement and effective prohibitions against these illegal seizures. But the committee recognized after a consideration of all the reports and conversations we have had with U.S. representatives in the field that rather than bringing about this desirable result, the existence of these particular legislative sanctions have encouraged seizures and made such negotiations virtually impossible. We certainly would have the freedom to discontinue aids which we feel are appropriate and reasonable for the particular fact situation that might exist, and that would be the appropriate course to take to effectuate a satisfactory resolution of the dispute.

So it seems to me that it would be desirable for the committee to support this approach when we are entering into the Law of the Sea Conference, without these inhibitions and I urge the defeat of the amendment.

Mr. MAILLIARD. As the gentleman well knows, I am in agreement with his basic statement that these kinds of provisions have not proved to be productive.

They have not achieved the result. But I still think that while we are in some very delicate negotiations, it is no time to convey to the world that we no longer are concerned about this. I think that is the impact it might have if we were to repeal the section, so I support the amendment of the gentleman from California.

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

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

Mr. CULVER. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I should like to ask my good friend, the gentleman from Iowa, if he is aware of the situation with respect to the Law of the Sea Conference for which the State Department is continually asking for great patience and, which, if it is on schedule, will complete its deliberations in mid-1975. Then, by the Department of State's own admission—at the most, optimistic—a sufficient number of nations would have ratified that treaty and it would have then come into effect by 1980—much more likely later than that, but at the earliest by 1980. By 1980, if this Nation has not taken action to protect its own fisheries, we will simply have no fish left to protect and all these discussions will be moot.

I think what a great many of us, particularly those of us from the Atlantic coast and more particularly those of us from New England, have been trying to point out is that, while we seem to be bending over backward to accommodate the nations of South America, we will not do a thing to protect our own fisheries. The State Department told us in committee this week that we negotiated this agreement in Brazil in order to avoid confrontation. We are acting like the little guys in the world. We are being pushed around by these nations. We seem to lack backbone to stand up and fight for our own interests.

Mr. CULVER. I wish to assure the gentleman that the sympathies he has expressed are certainly well understood and appreciated by the committee. This committee is as anxious and as desirous of seeing a termination of illegal seizures as is the gentleman from Massachusetts.

Mr. STUDDS. But we keep negotiating treaties acknowledging them.

Mr. CULVER. If I might just respond to the gentleman's inquiry.

Mr. STUDDS. Certainly.

Mr. CULVER. So, therefore, the question is not whether or not we want to see this desirous result brought about, but the issue is to see how best to achieve that. We have had some experience under these legislative sanctions. We have had experience which I think clearly establishes that, rather than bring about a greater degree of cooperation in terms of the likelihood of political settlement, it has had just the reverse consequence.

I recently returned from a trip to Latin America and visited the country of Peru. Certainly I can assure the gentleman that those representatives with the United States interests there, officially

charged with the responsibility of trying to bring about more satisfactory settlements in cases of expropriation and nationalization seizures of fishing vessels; such as we are addressing ourselves to in this instance, are totally convinced that the mere existence of this type of language and of this type of threat has had a very adverse impact in terms of negotiating climate.

I think Ecuador is a classic example. When we suspended military sales, we did not bring about any diminution in the determination of that nation to seize U.S. fishing ships. The number of seizures immediately increased dramatically.

The Ecuadorian Government kicked the U.S. military mission out of the country, and they finally even went on record saying they would not engage in a serious vein on the fishing question.

So it is not a question of whether we be tough; it is a question of whether or not this legislative sanction is worth the paper it is written on in terms of positive value. It has a very, very adverse effect to the real interests we are speaking to. I think if our negotiators were free of the straitjacketing limitations of this language, then they could enter into political negotiations with the particular country involved and join in employing flexibility and discrimination on remedies that could apply, including the termination of aid, including the termination of military sales, but not having to do it on an arbitrary unilateral basis, which is going to have the understandable political effect of making a negotiated settlement absolutely impossible.

Mr. STUDDS. I appreciate what the gentleman is saying, but if we are to take what the committee report says, presumably the idea would be to get more treaties with Ecuador and other nations just like the Brazilian treaty. Then we would have acceded, in fact, if not in theory, to the claims of these nations.

Mr. CULVER. There is a time limitation.

Mr. STUDDS. Five or 10 years.

Mr. CULVER. Certainly I think the timetable is much more optimistic.

Mr. STUDDS. Not for ratification.

Mr. CULVER. Furthermore, we certainly are left with a statement of a mutually acceptable interim agreement which permits us the opportunity to fish those waters.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman—

Mr. MORGAN. Mr. Chairman, I think this amendment could be well defeated.

#### POINT OF ORDER

Mr. HAYS. Mr. Chairman, a point of order.

The CHAIRMAN. The Chair recognized the gentleman from Ohio.

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

Mr. HAYS. I yield to the gentleman from Pennsylvania.

#### MOTION OFFERED BY MR. MORGAN

Mr. MORGAN. Mr. Chairman, I move that all debate on this amendment end at 5:05.

Mr. DINGELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. Mr. HAYS. Mr. Chairman, I did not intend to get into this debate, but I just have to disagree pretty fundamentally with my colleague and friend from Iowa about how to handle this.

I have been chairman of the State Department Subcommittee of the Committee on Foreign Affairs for—I do not know—15 or 16 years, something like that. If we are going to let those people negotiate a fishing treaty, we are never going to get one. Whenever they get up to Ecuador, and whenever they are there for 6 months, they are more interested in pleasing the Ecuadorians than making them upset by saying, "Look, we have to do certain things."

This Government's left hand does not know what its right hand is doing. The gentleman says we ought not to get tough with them; in effect, what he said is that we ought to negotiate, take our time, not be counterproductive. Well, they are seizing these fishing boats with destroyers we gave them.

Maybe it would not be too bad if we sent a couple of our own destroyers sometime when they are messing around with our fishing boats. It is all our property anyway, either gifts or on lease.

They kicked our military mission out. Well, now, isn't that too bad. We never should have sent one there in the first place. Who is Ecuador going to fight? How many of the Latin American missions came to our aid in World War II? We have built up these big military missions for what? So they can fight each other, that is all it amounts to.

Oh, they say it is for internal security. Well, internal security down there in all but 4 or 5 cases has been to secure the office of some dictator who has imposed himself on the people and used our military aid and our military mission and our destroyers and our airplanes and our arms to do it.

I would like to see good relations with every country in Latin America, but I just fundamentally disagree that by disarming ourselves altogether of any potential negotiating weapon, is the way to do the job.

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

Mr. HAYS. I yield to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Chairman, I just want to commend the statement of the gentleman from Ohio, and say that it is time somebody got up and spoke for this country instead of letting these little, dog eaten countries run all over us.

We need to send some destroyers down there to get them straight. That is what we pay them for.

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

Mr. HAYS. I yield to the gentleman from Iowa (Mr. CULVER).

Mr. CULVER. Mr. Chairman, I think we ought to have it further understood here that we are talking about what is the most effective way to advance U.S. interests in light of these illegal seizures of U.S. fishing vessels in these international waters, or what we argue are international waters. That is the issue.

Mr. HAYS. That is right, and the gen-

tleman has made a very clear and concise statement of his position. I am sure I understand it, and I am sure he is sincere about it. My position is just the opposite.

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

Mr. HAYS. I will yield.

Mr. CULVER. Let us look at the record. Since we have put these legislative sanctions on the statute books of this country, has that helped in any way whatsoever to bring about satisfactory negotiations?

Mr. HAYS. No.

Mr. CULVER. Involving any fishing vessel whatsoever?

Mr. HAYS. No, but because we did not protect our fishing fleet when they are in international waters.

If I were President and some Ecuadorian destroyer, which this country had loaned to them, came out 198 miles and took over a fishing vessel, I would sink the destroyer. Then, they would sit down and talk a little bit, but as long as we keep backing away from them, you know what they will do. They will keep pushing us back.

Mr. CULVER. If the gentleman will yield further, I wonder why this has not had any desirable effect whatsoever and had adverse, counterproductive consequences. The reason is very clear, and the gentleman as a politician should be the first one to acknowledge it.

The reason is that these new countries, feeling their nationalistic oats, are not about to bow to political pressures of this kind. It is going to result in every one of those governments taking an even harder line toward the United States of America, and they are in fact now doing just that.

Mr. HAYS. Just let me have a minute of my time back.

In the first place, Ecuador is not a new country, by a long stretch of the imagination. They have sponged off of us for a long time, in one way or another.

I do not really care if we cut off all the military missions, just to protect our fishing boats, and let them go hang.

Mr. CULVER. That may be the gentleman's position, but I submit it is not in the interest of the U.S. Government to take such an attitude.

Mr. SMITH of New York. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment of the gentleman from California (Mr. ANDERSON). After all, this section of the present law which is proposed to be repealed is, as he pointed out, a pretty gentle section. It says merely that—

In determining whether or not to furnish assistance under this Act, consideration shall be given to excluding from such assistance any country which hereafter seizes—

This, as the gentleman said, does not require the Administrator or the President to cut out any assistance, but says that this is one thing to be considered. It is a part of our flexibility and a part of our options, and I do not believe we ought to repeal it.

Mr. DINGELL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this is not the amend-

ment that I had intended to offer and will offer later.

I rise as chairman of the subcommittee which has to do with the affairs of our American commercial fishermen to tell this House that in the last 1 year's time the South Americans have seized some 44 of our fishing vessels, not within their territorial waters but while fishing upon the high seas.

As the gentleman from Ohio pointed out, they have used destroyers, that we have loaned them or that we have given them outright. The crews are trained by our people. They are paid in part by our military assistance. In many instances assistance is provided to the shipyards and to the maintenance people so that these vessels can go out and seize our fishermen.

Our fishermen have been shot at. They have been harassed. Their vessels have been seized, not within the territorial waters of the nation in question but upon the high seas, where our State Department maintains that our people may properly and lawfully fish.

In some instances the seizures have taken place as far from the land in question as 140 or 150 miles. These nations claim 200 miles of the sea and seize our vessels within such area.

Our fishermen have been shot at. They have been harassed. There have been personal injuries inflicted upon them. They have been imprisoned. They have had their property stolen. They have been locked up in prison. They have been informed if they were caught fishing upon the high seas again that they would be jailed. They have been informed that their vessels will be seized if they are caught a second time.

The gentleman from New York read the language of the amendment. This is the language that the amendment presented by the committee would strike. The committee bill would strike these words:

In determining whether or not to furnish assistance under this Act consideration shall be given to excluding from such assistance any country which hereafter seizes or imposes any penalty or sanction against a United States fishing vessel on account of its fishing activities in international waters.

What is wrong with that language? What has happened to this country when the State Department says that is bad language?

What has happened to this Congress when a committee of this Congress says we ought to remove language like that?

Is it the position of the committee that we should generously continue to supply military and economic and technical assistance to countries which seize our vessels fishing upon the high seas? Is that how low this Congress has sunk?

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

Mr. DINGELL. I yield to my friend from Maryland.

Mr. LONG of Maryland. In support of the gentleman's general drift of argument I might point out that not only do we reward these countries like Peru that have been seizing our fishing vessels, and now say they will not repay \$100 million that they owe us, but also we have



been giving them more than we have neighboring countries that have been friendly to us.

For example, we are proposing to give more military credit sales to both Peru and Chile than to neighboring countries like Bolivia and a number of others which have been good friends of ours.

Mr. DINGELL. Mr. Chairman, the gentleman is correct.

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

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I would like to give the House a little history. This amendment was considered in the committee when I was not there. It would have been a slightly closer vote. The vote was 13 to 10, and I believe, if I am not mistaken, both the chairman and the ranking member voted against putting it in there.

It opened up a can of worms, and it just puts us in a position of kowtowing to those who have conducted illegal seizure of our property.

Mr. DINGELL. The gentleman from Ohio is correct.

Mr. Chairman, the committee language which the amendment would strike says in effect: "Kick us, fellows. The more you kick us, the nicer we are going to be."

It is an invitation to further trouble. The committee bill takes a weapon from the hands of our negotiators. We are taking away one of the negotiating weapons which a good, intelligent, hard negotiator would use to help our fishermen.

Maybe our problem is that we need a different State Department; maybe we need different negotiators. This certainly does not appear to be the kind of language which the Congress of the United States should be considering.

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

Mr. DINGELL. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I find myself very strongly in accord with the gentleman from Michigan. He certainly is expert in this field. He knows the serious problems of the American fishing industry.

This is no time for the Government of the United States to add to those problems by saying we shall abandon them to the whims of the rulers of any foreign country. America needs a stronger—a bolder—not a weaker policy in representing the interests of our own nationals.

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

Mr. Chairman, I wish to commend the position of the gentleman from Michigan (Mr. DINGELL). I commend the gentleman on both his statement and his amendment, and I rise in support of his amendment.

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

Mr. HILLIS. Yes, I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Chairman, I thank the gentleman for yielding.

First, I wish to associate myself with

the remarks made by the gentleman from Michigan. I think the key point here is not the fact that this has not worked so well, but I think what psychological effect will it have upon the fishermen. We all realize that the fishing industry is on its backside. It is in terrible shape, and the fishing people feel that Congress and the people of the country have given it a poor shake. It is not high on the list of priorities in the concerns of the administration and the Congress.

Mr. Chairman, I believe the key point here is that it would be a slap in the face of our fishermen right now if we would reach in and pull this law out like this.

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

Mr. HILLIS. I yield to the gentleman from Iowa.

Mr. CULVER. Mr. Chairman, I will say to the gentleman that I do not believe that is in the interest of the fishermen to meet the problem this way. The gentleman says it is an aggravation, but rather than help them, this is actually accelerating the illegal seizures. Are we interested in their psychological frame of mind or providing effective relief?

We are dealing with the problems of the United States. It is the interest of the United States that is at issue. If we are really interested in good faith and trying to work out a sensible policy approach, we should really work toward bringing about a suitable negotiation in our real interests, not just engaging in political rhetoric aimed at the American fishing interests of this country. I would submit we should support the committee's position.

Mr. PRITCHARD. Mr. Chairman, I appreciate the gentleman's position. I believe it is wrong. I believe the heart of the problem is since they would not implement the bill there is no way it can work.

Mr. Chairman, under a law passed in 1954, the Federal Government reimbursed fines paid to free boats seized while fishing in waters claimed by other nations but considered open sea by the United States. The United States has consistently recognized a 12-mile limit on territorial waters, but other nations—notably Ecuador and Peru—have unilaterally claimed more extensive limits and have frequently seized U.S. boats operating within those waters. To date, 10 Latin American countries claim sovereignty or exclusive jurisdiction over the water or resources off their coast to a distance of 200 miles in contravention to existing international law.

Less than a year ago, Congress completed action on a bill—H.R. 7117, later Public Law 92-569—to expedite Federal reimbursements to fishing boat owners for fines incurred by unlawful seizure of U.S.-flag vessels by other nations. The conference report on H.R. 7117 included a Senate amendment allowing the President to waive a provision requiring that the amount of any fine or damages reimbursed by the Federal Government be deducted from foreign assistance payments to the country that had seized a U.S. boat and refused to pay for damages or refund the fine.

A 1968 law had mandated such deduc-

tions from foreign aid, but the State Department had interpreted the law as giving the Secretary of State discretion to decide whether or not to withhold the money. As passed by the House, H.R. 7117 would have required that foreign aid be withheld if the offending nation refused repayment within 120 days, but the Senate amendment allowed the President—not the Secretary of State—to waive the requirement if he thought the national security required continued aid.

Since the passage of H.R. 7117, the countries of Ecuador and Peru have illegally seized 44 American tuna vessels. Claims for reimbursement by the vessel owners—amounting to \$2.3 million—are now awaiting payment by the Secretary of the Treasury. Upon payment of these claims, the Secretary of State is required to seek reimbursement from the offending countries for amounts paid out from the Federal Treasury. Should the offending country fail or refuse to make payment in full within 120 days after notification, then the Secretary of State is required to transfer an amount equal to such unpaid claims from available funds programed to that country under the Foreign Assistance Act to the fishermen's protective fund established by the Fishermen's Protective Act of 1967.

Section 28 of the bill—H.R. 9360—under consideration today would nullify H.R. 7117 as passed by Congress last year. This section repeals section 5 of the Fishermen's Protective Act of 1967 which authorizes the Secretary of State to collect claims from foreign nations and to transfer an amount equal to the unpaid portion of such claim from foreign assistance funds to the fishermen's protective fund.

Section 17(c) of the bill before us today—H.R. 9360—would repeal section 620(o) of the Foreign Assistance Act which requires that—

In determining whether or not to furnish assistance under this Act, consideration shall be given to excluding from such assistance any country which hereafter seizes, or imposes any penalty or sanction against any United States fishing vessel on account of its fishing activities in international waters.

The Committee on Foreign Affairs also repealed the restrictive provisions relating to the seizure of U.S. fishing vessels in the Foreign Military Sales Act.

The actions of the committee in drafting sections 17(c) and 28 have been accurately characterized as a "tragic mistake." Considerable time was spent in the Committee on Merchant Marine and Fisheries drafting amendments which would put an end to the extensive illegal seizures that have been taking place lately. Yet, the repeal of section 5 of the Fishermen's Protective Act at this time will prevent the "transfer procedure" from proving its effectiveness and make the Fishermen's Protective Act meaningless.

The law of the Sea Conference, scheduled by the U.N. General Assembly for 1974, may indeed resolve the current territorial jurisdictional dispute. But, the repeal of section 5 of the Fishermen's Protective Act will not enhance the bargaining position of the United States—

and may even prejudice our bargaining position. Previously, the United States has consistently opposed the unilateral extension of international boundaries. Now, the repealers contained in H.R. 9360, which is before us, reveal that the United States is willing to capitulate to such actions, to the detriment of our domestic distant-water fishing industry.

For these reasons, I would urge my colleagues to support the amendments offered today which would strike sections 17(c), 27(a)(1), and 28 from the bill before us—H.R. 9360—and preserve section 5 of the Fishermen's Protective Act of 1967 and related sections of other acts.

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

I just wish to make one or two statements about the factual situation. First, there is no recognized international agreement on how far the territorial sea of a country extends. We sought to achieve agreement on this back in the 1950's but no agreement was reached. The United States claims 3 miles; some countries claim 12 miles; some claim 50 miles; some claim 200 miles.

We enlarged our claim for fishing purposes to 12 miles unilaterally, and most recently the State of Massachusetts has extended its claim to 200 miles.

I assume the Massachusetts government is putting together a navy to enforce that new 200-mile limit.

The problem here is to reach agreement in the law of the sea conference which opens this fall in New York and in Santiago next April. We do have to get agreement on the extent of the territorial sea and on the ocean resources and on how we can protect and conserve the fishing stocks of this world.

I just want to join in the views of my friend from Iowa in saying that these kinds of provisions do not work; they may make people feel good, but they do not contribute anything to sound international relations or even the achievement of international agreements.

Mr. FASCELL. Will the gentleman yield?

Mr. FRASER. I yield to the gentleman. Mr. FASCELL. I thank the gentleman for yielding and wish to state that I am anxious to get this settled too because I come from a fishing territory.

The provisions seeking to apply economic sanctions by withholding aid, have not worked, but we know the Chief Executive will take into consideration, actions of other countries hostile to our fishermen.

This is an issue on which we get extremely emotional. But let me draw your attention, if I may, to this fact. Tuna is a \$74 million industry in the United States and is extremely important particularly to those who are directly involved. We have \$11-\$14 billion of U.S. investments in Latin America. That is just on the other side of the scale.

For example, in Ecuador alone right now United States companies have over a \$350 million investment in oil, hopefully bringing it back to this country as fast as we can. There are a great many more things at stake in the relationship between the two countries than just the argument over who has the right to the resources of the sea.

That is an important argument, and I happen to believe it is one of the most vital. If this world does not settle the issue in the next law of the sea conference, it could be one of the tinder boxes which sets the whole world aflame. But we will certainly not solve it by making emotional speeches on the House floor saying "Let us get them" and "Let us sink the boats."

Those kinds of arguments do not solve the problem, admittedly. It is not as easy as that. There are other things at stake in the relationship between the United States and all of these other countries.

Mr. BINGHAM. Will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York.

Mr. BINGHAM. I would like to compliment the gentleman from Florida on what he has just said and associate myself with the remarks of the gentleman from Iowa and the gentleman from Minnesota.

I particularly want to compliment the gentleman from Florida, because he does have fishermen in his district.

I suppose it is easy for me to be against this amendment because I do not, as far as I know, have any fishing industry in my district.

What we are likely to forget in debating this type of restriction is that the aid programs we are talking about are in the interest of the United States. We are not giving aid because we want to be good guys in Ecuador or to buy friends and influence people elsewhere. That is a lot of malarkey. It is not the business of a development program or a military program. We are doing it in the interest of the United States. Let us not cut off our nose to spite our face.

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

Mr. Chairman, in all the discussion on this subject I have heard not one word about the cost to the American taxpayer of the seizures of fishing vessels. I am going to support the amendment for one reason and that is the hope that it will bring some pressure to get this thing settled.

I am sick and tired of the taxpayers of the Third District of Iowa—I cannot speak for the Second District—being made to contribute to pay bribes to the countries that are seizing American fishing vessels on the high seas.

I would think that some attention would be given to what it is costing the people of this country, for any payment is an outright crime.

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

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

Mr. HAYS. Mr. Chairman, I was a little bit amused to hear the gentleman from Florida talk about our big investment in Latin America. Sure, it is down there, but whenever they want to get it they will do just as they did in Chile.

What is an investment worth? We have a \$10 billion investment in India, given to them free, and there is no outfit in the world that would rather do us in than Mrs. Gandhi's government.

Mr. GROSS. They are already doing us in.

Mr. HAYS. That Boy Scout we have got over there for an Ambassador, that is the way I class him in my judgment, he is about as smart as a 12-year-old Boy Scout. I have nothing against the Boy Scouts, but that is about his ability.

He said if we cannot give them a \$6-million building he is going to quit. I sure would have latched on to that one if I had been the President. That is the best way in the world to get rid of him.

Then the State Department comes to me and to our subcommittee, and says that our people need buildings in India. But we are going to give a \$6-million building to India, and we will then, I suppose, appropriate some more money here to build some air-conditioned buildings for our own people to work in and live in.

You know, there ought to be some end, it seems to me, to the stupidity of the left hand of our Government not knowing what the right hand is doing.

I want to have good relations with Latin America, but not at the expense of having our collective brains kicked in by giving them aid and boats on the one hand, and then letting them confiscate our fishing vessels on the other, and at a time, as the chairman reminded me, that when they do take them we pay the fines to get them loose.

So the American taxpayer is getting it from every direction, up and down, crosswise, sideways, and in the middle.

Mr. GROSS. I thank the gentleman from Ohio.

I wish someone who is opposed to this amendment would tell the House how many millions of dollars have gone out of the U.S. Treasury by way of bribing the Peruvians and others for having confiscated our fishing vessels. I will be glad to hear from anyone.

Mr. CULVER. Does the gentleman ask me that question as one from a neighboring district in his State?

Mr. GROSS. The neighboring district that wants to pay the price for bribery of the Peruvians.

Mr. CULVER. Mr. Chairman, I think the people in our neighboring districts, after so many years, are very familiar, in view of the fact that we share some of the same media, with our respective views on foreign assistance. I think that it is very important in our national interest to have a program of this nature. They know that. And I think their judgment has been registered rather dramatically on that point over the years in the elections that I have participated in.

Mr. GROSS. I do not know that we are represented by the same media. I try to tell my people in Iowa how lousy this foreign giveaway program is.

Mr. CULVER. That is right, the gentleman does.

Mr. GROSS. The gentleman takes the opposite side. I do it by way of—

Mr. CULVER. I try to suggest to the people that some of these programs in spite of admitted shortcomings conform to our national interest, and that we have to continue as best we can to improve this effort. They seem to agree with that assessment.

Mr. GROSS. I hope that the gentleman does not bet a plugged nickel on a poll in his district that would support foreign aid.



Mr. DINGELL. Mr. Chairman, if the gentleman will yield, since last year the countries involved have seized vessels and crews for which this Nation has paid \$2,305,416. And over the life of the period that I can ascertain more than 100 U.S. vessels have been seized with a total cost in fines and fees of \$4 million. Also that in the past year they have seized about 44 vessels, and the cost of the fines per vessel has gone up strikingly.

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

Mr. Chairman, one of the responsibilities of this body is to exercise oversight over the legislation which it has enacted in previous sessions. This is what the Foreign Affairs Committee has done in connection with the functioning of the Fishermen's Protective Amendments. In looking at congressional sections against fishing vessels seizures, we have to answer three questions. First, has this sanction worked? Second, has it advanced the international interests of the United States? Third, what are the economic ramifications of this amendment? Let me analyze each of these.

First, I think it is very clear that the fishing vessel seizure sanctions have not worked.

On June 5 of this year Secretary Rogers appeared before the Foreign Affairs Committee. I asked him specifically, Has this legislation worked? His answer was, and I quote:

It is not working. We have serious problems with Peru and Ecuador and Chile because of fishing.

A diplomat representing our country in a Latin-American nation recently made this statement before one of the subcommittees of the House Committee on Foreign Affairs:

These sanctions have not worked. In fact, they have made the situation worse, to be honest with you.

This conclusion is clearly substantiated in the letter which was sent by the gentleman from California (Mr. ANDERSON), and seven of his colleagues, to the Members of this body.

Since last year and early this year the countries of Ecuador and Peru have illegally seized 44 American tuna vessels.

Thus it is clear that congressional restrictions not only have failed to stop ship seizures, they have invited retaliation.

Second, have these sanctions advanced our international interests throughout the world? The answer here clearly is "no." Along with the gentleman from Iowa (Mr. CULVER) I had the opportunity of visiting South America several months ago. It was made very clear to me by American businessmen there, as well as our foreign service personnel, that their operations have been seriously hampered by this and other sanctions which have been enacted by previous Congresses. It is quite obvious that the Pelley and other amendments have impaired our relations with Peru and Ecuador, which are directly involved in the tuna war. We must also remember that there are eight other nations in Latin America which recognize the 200-mile territorial limit.

Certainly our relations with these other

eight countries have degenerated. In fact, our retaliatory laws stand out as a symbol throughout Latin America as still another example of United States imperialism and Yankee gunboat diplomacy.

Third, the question was raised with respect to the economic effects of our fishing boat amendments. It is clear that these amendments have cost the U.S. Treasury more than their absence would have.

I would point out to the Members of this body that the provisions retained in the law continue the reimbursement to the owners of fishing vessels. But the fact that the amendments debated by the Foreign Affairs Committee have invited retaliation has resulted in an increase in cost to the U.S. Treasury. Further, it has cost American business firms sales in Latin America.

I know of one large firm in the United States which has lost a contract, a \$50 million motor contract, as a result of this particular sanction.

So I say this sanction not only has not worked; it has invited retaliation. It has done irreparable harm to the image of the United States throughout Latin America, and it has certainly cost the United States Treasury and American business firms money.

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

Mr. WHALEN. I yield to the gentleman from Maine.

Mr. COHEN. I thank the gentleman for yielding.

As I understand, the thrust of the argument in support of the gentleman's amendment is that Peru and Ecuador are acting illegally because we do not recognize the 200-mile limit; is that correct?

Mr. WHALEN. This is the thrust of those supporting the amendment.

Mr. COHEN. Is the gentleman aware that recently this country entered into a treaty with Brazil, who also has declared a 200-mile limit, and we also have signed a treaty recognizing that in essence? And we will be asked to appropriate money to help defray the cost of supervising that 200-mile limit? I think that is totally inconsistent and an intolerable situation.

This country on one hand generally opposes the 200-mile limit and yet recognizes it for Brazil.

Mr. WHALEN. I do not think in signing a treaty with Brazil that the U.S. Government has recognized the 200-mile territorial claim.

Mr. COHEN. They may not have done so explicitly, but it seems to me that when Brazil is claiming a 200-mile limit and we agree in treaty to limit the number of fishing boats we send there, we recognize it implicitly.

Mr. GONZALEZ. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I rise at this time because some things that I think I have to say have quite a hearing, which are not generally apparently revealed here to this body.

I have an amendment to this section—not the fishing section but the general expropriation section—which I hope to present later for the very serious con-

sideration of the Members, and which will address itself to what I consider to be a long time, historical need for a congressional policy with respect to expropriation.

However, with respect to this specific subject matter, I think I can sympathize with both views expressed here today, except for the fact that this country has got to face up to the reality of a situation. To those Members who expect good will and good faith and who crave and seek, as I think we all do, the good neighbor policy, I should remind them that being a good neighbor does not necessarily mean we have to give the family jewels away.

Even as we are deliberating here this afternoon, as late as last weekend there has been a flotilla of Cuban fishing boats ranging from 40 to 60 in number that have been fishing for weeks off the Texas gulf coast. At night, according to good, faithful sources that I am in touch with, they have slipped illegally in beyond the 12-mile limit and have fished illegally in American waters, and our country has done nothing about it.

We are talking about Cuba; we are not talking about Ecuador, not talking about Brazil; we are talking about Cuba, a nation with whom we have no established relations.

Somewhere down the line, and I hope during this international conference, I hope that our negotiators will defend and establish an American policy. It is just absolutely asinine that a nation, for whatever reason, would abdicate its responsibility to the proper defense of its legitimate interests, no matter what the hope is, no matter what the goal is. Any nation, little or big, which turns its back on its solemn responsibility to safeguard its own interests is lost, and it is just a matter of time.

I am addressing the attention of this body to a practical situation that has not received recent publicity, whereby at this time on the Texas coast we have the illegal fishing. Some of these nations wish to establish the 200-mile limit. Our fishermen on the Texas coast would be arrested and fined \$200 instantly if they were to try to catch and fish the same shrimp size that the Cubans are fishing illegally during the night, and with apparently no resistance from our authorities. Apparently, the attention of the Coast Guard has been directed to this, and yet, as far as I know, nothing has been done.

I think, without going into the merits of this amendment pending, that we should keep in mind one reason we might have trouble is that we have failed to establish a policy and to have adhered to that policy. We have reacted hastily in such amendments as the Hickenlooper amendment. That is one reason I am offering an amendment later on. However, with respect to fishing, I think a firm policy must be established by this country.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman,

the situation with respect to illegal intrusions by foreign fishing vessels inside the 12-mile limit, as described by my friend from Texas (Mr. GONZALEZ) is nearly identical to reports of incidents that have occurred in my district off the coast of northern California.

While I regret to hear of the problem, I am pleased that he has brought this matter to the attention of the House and you, individually, as members of the House.

Of the 435 Members of the House, there are comparatively few that are affected by or immediately concerned with the "fishery zone" problem. As a result, we have been literally "crying in the wilderness" in our efforts to focus attention on this increasing problem.

As the gentleman from Texas suggests, there is a crying need for a new policy as it relates to the marine resources that are adjacent to our coastal States.

The basic point I want to make is directed toward the extended territorial sea limits that are unilaterally being declared by some countries.

In my view, there is a great deal of confusion and misunderstanding about the so-called 200-mile limit.

What is needed is for the United States to work in concert with other countries to establish fishery and marine resources conservation zones contiguous to the established and accepted territorial sea limits of the coastal countries. This is needed to provide protection for the coastal States, the fishermen and communities dependent upon these resources for their economic stability and protection for the domestic fishery and marine resources conservation programs of the coastal States.

We need to clearly define the differences between a conservation zone and the unilaterally declared extended territorial sea.

The extended territorial sea must be submitted to and accepted by the upcoming International Law of the Sea Conference and subsequently ratified by the nations of the world if it is to be enforceable. The official U.S. position, as submitted to the International Law of the Sea Conference, would establish a 12-mile territorial sea in contrast to the now existing 3-mile territorial sea.

Also, the so-called three-species approach with resource management control retained by the coastal States is a part of the official U.S. position.

The central point I wish to make is the need in my view to separate the territorial sea and security question from the conservation question.

The 12-mile territorial sea position of the United States is realistic when considering the security requirements of our Nation.

I would like to see us work toward a 50- or 200-mile fishery and marine resources conservation zone, hopefully, in concert with the countries of the Western Hemisphere and possibly through the OAS.

I believe we can look for more cooperation here in the Americas if there is greater understanding and acceptance of this concept.

We should mutually agree to adhere to the 12-mile territorial sea extension

and move toward the acceptance of an extended fishery and marine resources conservation zone.

While I realize the "three species approach" is the official U.S. position and has the potential of providing us with some relief from illegal foreign fishing vessel intrusion of our traditional fishing grounds, I believe we should continue to pursue the extended fish and marine conservation zone concept.

I hope the gentleman from Texas will join me in pursuit of this objective. I will look forward to a detailed discussion on the subject.

Mr. COHEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, for years, South American countries have been harassing and seizing U.S. fishing vessels in international waters and extorting millions of dollars from this Government before the boats are returned. The crux of the matter is that Peru, Ecuador, and other South American nations claim that their national waters extend 200 miles out to sea. The United States, on the other hand, currently recognizes a 3-mile territorial sea—a vestige of the Revolutionary War era—and a 12-mile fishing limit.

The difference between our claim and the claims of South American nations could be easily settled if they would simply recognize our right to preserve and safeguard the marine resources off our shores. However, these foreign nations have not chosen to observe this right. They have constantly violated and overfished our shores and depleted our coastal resources.

I find it inconsistent, indeed ridiculous, that while we do not recognize foreign claims of a 200-mile limit, we are willing to pay these countries millions of dollars for the supposed violation of their 200-mile limits by U.S. ships.

On the other hand we are not willing to extend our fishing territorial waters to 200 miles to safeguard our fishing interests. And we are not willing to demand payment from other nations, or seize their ships, when they violate our waters. Why are we willing to give this differential treatment to other nations in spite of the fact that we do not acknowledge their right to control fishing resources in international waters.

Recently, we concluded a treaty with Brazil which restricts the number of U.S. vessels fishing within 200 miles of the Brazilian coast. Indeed, we even pay for the enforcement of this treaty in the event that the number of U.S. ships in these waters exceeds the limit provided by the treaty. Again, we are bending over backward to accommodate the fishing of Brazil for the purpose of assisting them in the conservation of shrimp. The supporting arguments for this bifurcated approach to international relations may never appeal to the metaphysicians, but they fall well beyond the pale of acceptability to the fishermen and the taxpayers of this country.

I do not believe that we should have concluded such a treaty with Brazil if we are to be at all consistent with the policies our State Department has expressed.

The State Department frequently affirms that our fishing ships would suffer retaliatory action if we extended our

fishing waters to 200 miles. It is merely a subterfuge and face-saving maneuver for our State Department's failure to produce meaningful and effective treaties with nations fishing off our own shore.

Within the last several weeks, we learned that the Soviet Union declared the scallop a creature of their shelf. Yet we did not retaliate, nor did any other nation. And here, several South American nations have extended their fishing limits far out to sea and how have we retaliated? We have retaliated by signing a treaty with Brazil and propose to pay them to enforce it. And we have retaliated with Peru and Ecuador by reimbursing them when it is found that U.S. ships have fished within 200 miles of their coast. I find this deplorable and lacking of any real concern for the interests of our fishermen and the fishing resources in our coastal waters.

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

Mr. Chairman, I shall not take 5 minutes. I would like to point out that I have a fishing district with some tuna fishermen. I have in the past honestly supported this amendment in the hope that it would have a beneficial effect; that it would alleviate a difficult situation.

Rather it has, I believe, exacerbated a bad situation, and made it worse. In view of that, and particularly in view of the fact that the Law of the Sea Conference is now pending and this issue will be very much discussed and hopefully resolved at that time I will vote against the amendment at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ANDERSON).

The question was taken; and on a division (demanded by Mr. CULVER) there were—ayes 98, noes 29.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ:

Page 25, after line 20, insert the following: (d) Section 620 of such chapter is amended by adding at the end thereof the following new subsection:

"(x) No assistance shall be furnished under this or any other Act to any country which has—

"(1) nationalized or expropriated or seized ownership or control of property owned by any United States citizen or by any corporation, partnership, or association not less than 50 per centum of which is beneficially owned by United States citizens;

"(2) taken steps to repudiate or nullify existing contracts or agreements with any United States citizen or any corporation, partnership, or association not less than 50 per centum of which is beneficially owned by United States citizens; or

"(3) imposed or enforced discriminatory taxes or other exactions, or restrictive maintenance or operational conditions, or has taken other actions, which have the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property so owned;

unless the President determines that (A) an arrangement for prompt, adequate, and effective compensation has been made, (B) the parties have submitted the dispute to arbitration under the rules of the Convention for the Settlement of Investment Disputes, or (C) good faith negotiations are in progress aimed at providing prompt, adequate,



and effective compensation under the applicable principles of international law."

Mr. GONZALEZ. Mr. Chairman, this is the amendment I referred to awhile ago. It is already a part of the law with respect to the multilateral financial institutions, which the Congress adopted 2 years ago.

Let me tell the Members the course of history with respect to this amendment. It has already enabled American citizens to save themselves from at least \$500 million worth of losses they otherwise would have suffered, even though the amendment has not been invoked.

Mr. Chairman, this amendment permits legitimate defense of legitimate interests. This is the first statutory announcement by the Congress that enacts a viable policy recognizing international law, recognizing the inherent rights of any sovereign nation to expropriate, to nationalize, but within the law.

Heretofore we have been vulnerable because the Congress has never expressed a specific procedure whereby legitimate American interests would be defended. I take considerable pride in this, because it was the result of the distilled effect of about 6 years of effort and survey in this field.

Now, the reason I am offering it as an amendment in this bill is because in this particular section the committee has deleted the Hickenlooper amendment. It may be that the history of the Hickenlooper amendment proves that it is questionable in its effect since it seems to be unilateral. But the history of my amendment in the last 2 years, with respect to the multinational financial institutions, clearly indicates that it is feasible, that it has worked successfully, and that it has established a clear American policy which our administration can call forth, by which it can defend American interests and do it in the framework of international law.

Mr. Chairman, I submit to the Members that their serious consideration and acceptance of this amendment will go a long way in establishing a permanent and a successful policy.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield for a question?

Mr. GONZALEZ. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding.

I must say that in the gentleman's description of his amendment, I did not understand the difference between his proposal and the so-called Hickenlooper amendment language which has been in operation and which has been such a signal failure.

What is the difference between the two?

Mr. GONZALEZ. The difference is considerable. I assume the gentleman has read my amendment?

Mr. BINGHAM. Well, I heard it. I have not had a chance to look at it.

Mr. GONZALEZ. I am sorry that the gentleman has not read my amendment.

Mr. BINGHAM. Mr. Chairman, I listened to the amendment with care, and I did not distinguish any difference between it and the Hickenlooper amendment.

Mr. GONZALEZ. Mr. Chairman, my amendment clearly sets forth the policy which the President can, in his judgment, invoke where there has been a political expropriation, an unjust expropriation, an unjust seizure of property.

Then there is a triggering impulse which the President can invoke, and we have preemptions including good faith negotiations. The parties in dispute in the convention have the option of settlement of investment abuse in international tribunals.

The President must determine that an arrangement for prompt, adequate, and effective compensation has been made. In the absence of that, then there is no aid. Just as in the case of the international institutions, our representatives are instructed not to give aid.

The Hickenlooper amendment is unilateral and does not provide for these three conditions which the President can define and determine.

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

Mr. GONZALEZ. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, may I ask, does it permit the President, if he finds that appropriate steps are taken, to suspend the application of the amendment?

Mr. GONZALEZ. That is right.

Mr. BINGHAM. Mr. Chairman, I do not see the effective difference between this amendment and the Hickenlooper amendment.

Mr. GONZALEZ. Mr. Chairman, if the gentleman will ponder this for a while, for one thing, our country is accepted in equality within the law with any other nation no matter how small. It is willing to arbitrate, but it is willing to fall only within the framework of equal recognition, not under a unilateral policy expression which leaves the Nation helpless to defend its own citizens and its own legitimate interests.

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

Mr. GONZALEZ. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I will ask the gentleman this:

This amendment is similar to the language we put in the law for the International Development Association, the Inter-American Development Bank, and the Inter-Asian Development Bank?

Mr. GONZALEZ. Exactly.

Mr. FRENZEL. And it does not threaten any nation's right to expropriate within its boundaries.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. FRENZEL, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. FRENZEL. Will the gentleman yield further?

Mr. GONZALEZ. I yield to the gentleman.

Mr. FRENZEL. It does not have anything to do with any necessary right to expropriate. They may do so. It says only that we may deny aid under this section if they expropriate and make no attempt to negotiate or pay for what they have taken.

Mr. GONZALEZ. That is right.

Mr. FRENZEL. And to pay American citizens and interests for their legitimate interests. Is that correct?

Mr. GONZALEZ. The gentleman is absolutely correct.

Mr. FRENZEL. I think since the Congress approved this amendment with respect to the multinational lending agencies—

Mr. GONZALEZ. That is right.

Mr. FRENZEL (continuing). That it ought to be a part of the system under which we give 100 percent for the dollar. I commend the gentleman for his amendment and intend to support it.

Mr. GONZALEZ. I thank the gentleman.

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

Mr. MORGAN. Will the gentleman yield?

Mr. CULVER. I yield to the distinguished chairman.

Mr. MORGAN. Mr. Chairman, I ask unanimous consent that all debate on section 17 and amendments to section 17 close at 10 minutes to 6.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. FRELINGHUYSEN. Mr. Chairman, reserving the right to object, would it not be possible, may I ask, to limit debate on the whole bill and all amendments to the bill to a certain hour so that we have a fixed time when we might be able to expect a final vote?

Mr. MORGAN. Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed at this point in the Record. The Chair would not want to set any particular time limit on the debate. I do not know how many more amendments are at the desk. The committee can fix a time to end debate at 7:30. That would be all right with the Chair.

Mr. FRELINGHUYSEN. I would like to ask the gentleman if he might be willing to ask for an earlier termination.

Mr. MORGAN. What time?

Mr. FRELINGHUYSEN. Six thirty. Why not try?

Mr. MORGAN. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed at this point in the Record, and that all debate on the bill end at 6:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MITCHELL of Maryland. Mr. Chairman, I object.

Mr. DINGELL. Mr. Chairman, I object.

The CHAIRMAN. Will the gentleman restate his request?

Mr. MORGAN. Mr. Chairman, I make a unanimous-consent request that the bill be considered as read, printed at this point in the Record, and that all debate on the bill and amendments thereto end at 6:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. DINGELL. Mr. Chairman, I object.

Mr. PASSMAN. Mr. Chairman, I object.

The CHAIRMAN. The gentleman's first request was that the bill be con-

sidered as read and open to amendment at any point.

Mr. MITCHELL of Maryland. Mr. Chairman, I object.

MOTION OFFERED BY MR. MORGAN

Mr. MORGAN. Mr. Chairman, I move that all debate on section 17 end at 10 minutes to 6.

The CHAIRMAN. Is that a motion or a unanimous-consent request?

Mr. MORGAN. Mr. Chairman, I move that all debate on section 17 end at 6 o'clock.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN).

The motion was agreed to.

The CHAIRMAN. The gentleman from Iowa (Mr. CULVER) is recognized for 5 minutes.

Mr. CULVER. Mr. Chairman, I rise in opposition to this amendment. What we really are talking about in this amendment is the whole issue of the most effective way for the U.S. Government in those cases involving expropriation of American business interests in an underdeveloped country or elsewhere in the world to make sure that we do whatever is most appropriate in order to bring about a satisfactory settlement by way of just and prompt and fair compensation.

The language of this amendment is essentially the language of the Hickenlooper amendment. The Hickenlooper amendment was adopted by the Congress in 1962. It has been operating on the statute books now for 10 years. The Hickenlooper amendment has only been employed on one occasion in 1963 in the case of Ceylon. We have not seen as the result of the adoption of the Hickenlooper amendment or, indeed, its operation, any decrease in the underdeveloped world in the number of expropriations that have illegally taken place. In fact, during the period of the Hickenlooper amendment's existence we have seen a dramatic increase in the number of expropriations that have actually taken place.

The Presidents of the United States in various administrations have commonly found that the Hickenlooper amendment has straitjacketed their negotiating flexibility in dealing with a host country, and a particular corporation seeking just compensation for illegal expropriation.

I think that what we should ask ourselves here in this House, when we wipe away all of the political emotion and all of the rhetoric on these issues which are of understandable concern, frustration and irritation to American national interests, is simply what actions can we properly take either diplomatically or by way of congressional action, by way of policy, which will in fact create a climate which is more favorable to the just and prompt resolution of the disputes rather than by legislative action, create a climate which creates a greater degree of hostility and misunderstanding in these parts of the world where these expropriations have taken place.

It seems to me that the best evidence on that point must be the testimony of U.S. business investors who currently are investing overseas, and how they

view, after 10 years' experience under the Hickenlooper amendment, their interests.

The fact is that the Council of Americas, a group of the 200 leading U.S. businessmen, representing 90 percent—and I repeat, 200 of the leading American corporations composing the Council of Americas, as representing 90 percent of the direct investment in Latin America, have spelled out strongly and repeated their opposition to the Hickenlooper amendment.

Every single ambassador and leading U.S. diplomat in Latin America, and every witness who came before the House Committee on Foreign Affairs, and its Subcommittee on Foreign Economic Policy, have expressed their strong voice, and that is if you genuinely want to help us reach a satisfactory solution in the case of expropriation proceedings, do not do the demagogic, irresistible political thing of writing in this arbitrary language where you are going to straitjacket us, and create inflexibility for our negotiators in bringing about a desirable settlement and solution, and create a climate that is going to stimulate rather than discourage expropriation but, rather, resist that temptation, let us have some statesmanship and some responsibility in the national interest, and give us maximum flexibility in these negotiations.

If in a particular situation it is appropriate in the national interest to cut off aid, we can cut off aid. If in the national interest it proves to be appropriate to discontinue military sales to a particular country, we can discontinue military sales to a particular country, we can discontinue military sales. But do not arbitrarily prejudice these situations until we have been afforded the appropriate opportunities to utilize and employ all of the various medleys of responses available to us in a foreign policy situation to bring about a just and a fair settlement. This is what those interests most directly affected say to us. Are we going to listen? Are we going to do what they, themselves, have determined, after 10 years' experience under the Hickenlooper amendment, to be in their own self-interest in terms of creating a private investment climate in which future profit opportunities remain for the American investor and for the American public in terms of balance of payments and general foreign policy relationships? Or, are we once again going to demonstrate the incapability of this body to overcome superficial political appeals and consider such matters of this kind in terms of sensible approaches which would bring about a greater likelihood of a fair and just settlement that otherwise would not be possible between the parties and the countries in dispute?

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I rise to speak in favor of the amendment.

Mr. Chairman, the distinguished gentleman from Iowa has told us a vote for this amendment is demagogic and illogical. Yet he has spent his whole time telling us how bad the Hickenlooper amendment was. I logically and undemagogically agree with him it was a bad amendment. But, what he did not say is that the

Gonzalez amendment is a far cry from the Hickenlooper amendment. The Hickenlooper amendment merely said we would not give aid to anyone who expropriated. The Gonzalez amendment does not prohibit aid to expropriating countries. It merely says that we will not give aid to somebody who has expropriated and who has neither first paid for it; second, made arrangements to pay for it; third, is negotiating in good faith, or, fourth, agreed to arbitration.

The Gonzalez amendment would make our aid payments—which are 100-percent taxpayers' dollars—and our loans through international development agencies, only part of which come from U.S. taxpayers—subject to the same conditions.

We ought to offer some measure of protection to U.S. interests abroad. This is a small, but useful, measure of protection the Treasury Department has supported. I support it and I urge all Members to vote logically for the Gonzalez amendment.

Mr. MAYNE. Mr. Chairman, I rise in support of the amendment proposed by the distinguished Member from Texas (Mr. GONZALEZ), and urge its adoption. I was shocked that the bill as reported by the House Foreign Affairs Committee would, in subsection 17(a), repeal the Hickenlooper amendment, paragraph 1 of section 620(e) of the Foreign Assistance Act of 1961. I had prepared an amendment to the bill which would have struck subsection 17(a), thereby retaining the Hickenlooper amendment providing for suspension of all assistance provided by this Government to any country which expropriates American property without providing adequate compensation as required by international law.

However, the Gonzalez amendment goes an extra step, it in effect restores the Hickenlooper amendment language to the Foreign Assistance Act and restores it in a form very close to the language first proposed by the distinguished Iowa statesman and long-time ranking minority member of the Senate Foreign Relations Committee, the late Senator Bourke B. Hickenlooper. I commend the Congressman from Texas (Mr. GONZALEZ) for his amendment. It makes it clear that Congress meant what it said when it enacted the Hickenlooper amendment by overwhelming votes in 1962, that the Congress will not allow taxpayer funds to be thrown away on countries which in effect commit acts of piracy.

I must disagree with my friend, the gentleman from Minnesota, as to the Hickenlooper amendment being a poor amendment. It was, and is, a good provision. The trouble with it, as is the trouble with any law, is the failure to use it and to enforce it. When the Hickenlooper amendment has been asserted and used, when the Congress stood up and fought for its enforcement, it proved to be a very useful deterrent to expropriation without compensation. Recently, we in the Congress have failed to insist on its enforcement, to put backbone into our policymakers and administrators by insisting that the Hickenlooper amendments be carried out by suspending all assistance to malefactors.

I commend the Gonzalez amendment



for its dotting the i's and crossing the t's, eliminating all possible doubt that Congress once again insists that its mandate against assistance to pirates be carried out to the letter. If the Members think that they had observed an increased incidence of expropriation recently, wait until they see what happens with the Hickenlooper amendment gone, if the Gonzalez amendment is not adopted.

I would remind the Members of this body that the Congress overwhelmingly approved the Hickenlooper-Adair amendment against expropriation in 1962 in order to head off the wave of expropriations threatening American investments in the wake of the Castro takeovers. There was strong bipartisan support for the amendment, with firm support by Senators HUMPHREY and MANSFIELD and by others from the other side of the aisle in the floor discussion. The majority report of the House Foreign Affairs Committee on the present bill points out that the amendment was used only once.

This is true, but that was the strength and purpose of the amendment—the imposition of the ultimate sanction of the Hickenlooper amendment, the suspension of all assistance to Ceylon because of that nation's seizure of American properties without providing compensation, showed all the world that Congress meant what it said, and that the administration had no choice but to carry out the suspension. The fact is, the Hickenlooper amendment worked. Ceylon, smarting under the suspension of our aid, came back into our good graces and that of the international community by taking steps to compensate the owners of expropriated property, thus satisfying the conditions of the Hickenlooper amendment.

President Kennedy sent his own brother, Bobby Kennedy, to Brazil, when that country was on the brink of making massive expropriations of American-owned properties. The Attorney General was able to point to the example of the suspension of aid to Ceylon, reinforcing his argument that Brazil would be automatically cut off from any kind of U.S. assistance if it pirated American properties, because Congress insisted on enforcement of the Hickenlooper amendment. The Government of Brazil backed down. In turn, almost every one of the other governments throughout Latin America, Africa, Asia, and the Pacific that were on the verge of trying the Castro formula of getting rich quick by robbing Americans, several already having issued expropriation decrees, very quickly backed down.

The flight of both domestic and foreign investment from the underdeveloped and developing countries because of the fear of spreading Castro-like expropriations consequently slowed to a trickle, and then reversed as Americans and others regained confidence in their ability to invest and to obtain reasonable return on their investment without being subjected to the constant threat of expropriation.

Before the Hickenlooper amendment, the fear of undergoing expropriation or arbitrary cancellation of contracts had

virtually dried up investment and capital formation in most of the lesser developed countries. Far too many of our diplomats and representatives, both in the State Department itself and in our AID and diplomatic missions abroad, tended to shelve any pretext of carrying out their appointed duty of protecting American citizens in their life and property abroad, for fear of offending real or imagined sensibilities of the new countries or their leaders—and some in effect encouraged expropriation rather than discouraged it.

Governments receiving our assistance were amazed at our stupidity in continuing to insist on their receiving our assistance when they were robbing Americans with little or no pretense of making any form of compensation. "Why make any land reforms or increase taxes against local barons, when they can instead rob the Americans and fill our coffers, build our palaces and even throw some bread or provide circuses to the masses."

In view of this prevalent attitude and the failure of the State Department and our diplomats to do their utmost to protect American properties abroad, was it any wonder that the general public in the United States was about ready to discard the foreign assistance program in the early 1960s? Senator Hickenlooper's amendment may indeed have saved the foreign assistance program from being scuttled. Because Congress insisted that it be enforced, the Hickenlooper amendment worked.

The fact that Congress stood behind the amendment was brought home to foreign governments, expropriations sharply curved off, the climate for international private investment improved as the fear of expropriation eased off, and gradually foreign private investment again supplied the capital needed by the new nations to bring them to the stages of development so many of them enjoy today. Our foreign assistance funds no longer were just replacing the dollars that new nations lost through capital flight, they instead provided the extra spark that lesser developed countries needed to develop and achieve real progress.

It is not the fault of the Hickenlooper amendment that we have witnessed a recent increase in expropriations and in the unilateral breaking of contracts by various countries. It is instead the fault of this Congress, in failing to carry through on insisting on the rigorous enforcement of the highly useful tool provided us by the wisdom of Senator Hickenlooper, Congressman Adair, and the other Congressional leaders in 1962. In recent years we have failed to hold the feet of State Department, AID, and the various international agencies to the fire, to make it clear that we would not stand for any vacillation in suspending this Nation's assistance when the terms of the Hickenlooper amendment so required. Using one excuse or another, recent confiscations of American property have been ignored by those charged with administration of the foreign assistance program including the Hickenlooper amendment, and I am afraid Congress has let the administrators get away with it.

As a result, the credibility of recent administrations, the belief of foreign nations that expropriations of American property would immediately result in loss of our aid, rapidly eroded away. The fault lies not in the Hickenlooper amendment, which was and is good law, the fault lies instead in the failure of our insisting that the amendment be enforced. The solution is not to abandon or repeal the Hickenlooper amendment, it is rather to insist that it be carried out, and to strengthen and reinforce the amendment.

It should not be the policy of the Government of the United States or of the Congress to encourage expropriation, and it certainly should not be our policy to reward international piracy by continuing to give the pirate our blessings and continue foreign assistance. The government assistance we could extend to a country could never make up for what the country loses in the long run by scaring away potential foreign investors. Repeal of the Hickenlooper amendment would cause immediate deterioration in this Nation's prestige and standing in the world community, for who can respect any nation which weakly refuses to protect its own citizens from discriminatory actions in outrageous violation of international law? Repeal of the Hickenlooper amendment would in effect be the same as issuing a license to steal, in fact an invitation to commit piracy.

We, in Congress, must act to make it clear to all that the Congress will not tolerate any indifference to the rights of American citizens or any discrimination against them, and that the Congress will insist on rigorous enforcement of the Hickenlooper amendment and its sanction of suspending all assistance provided any country which confiscates American property without compensation. The Gonzalez amendment restores the Hickenlooper amendment to the Foreign Assistance Act, with revisions making its intent even more clear. I urge its adoption.

Mr. FRASER. Mr. Chairman, I rise in opposition to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The question was taken; and on a division (demanded by Mr. GONZALEZ) there were—ayes 43, noes 39.

RECORDED VOTE

Mr. CULVER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 278, noes 102, not voting 53, as follows:

[Roll No. 395]

AYES—278

Addabbo	Blatnik	Burke, Fla.
Anderson,	Boggs	Burke, Mass.
Calif.	Boland	Burleson, Tex.
Andrews, N.C.	Bowen	Burison, Mo.
Annunzio	Brasco	Butler
Archer	Bray	Byron
Armstrong	Breaux	Carney, Ohio
Ashbrook	Brinkley	Carter
Bafalis	Brooks	Casey, Tex.
Baker	Broomfield	Cederberg
Beard	Brotzman	Chamberlain
Bell	Brown, Mich.	Chappell
Bennett	Brown, Ohio	Cancy
Bevill	Broyhill, Va.	Clark
Blaggi	Buchanan	Clausen,
Blackburn	Burgener	Don H.

Clawson, Del	Hunt	Rooney, Pa.
Cleveland	Hutchinson	Rose
Cochran	Ichord	Roush
Cohen	Jarman	Rousselot
Collier	Johnson, Calif.	Roy
Collins, Ill.	Johnson, Colo.	Roybal
Collins, Tex.	Johnson, Pa.	Runnels
Conlan	Jones, N.C.	Ruppe
Conte	Jones, Okla.	Ruth
Cotter	Jones, Tenn.	St Germain
Coughlin	Karth	Sandman
Crane	Kazen	Sarasin
Cronin	Keating	Satterfield
Daniel, Dan	Kemp	Saylor
Daniel, Robert	Ketchum	Scherie
W., Jr.	Kuykendall	Schneebell
Danielson	Kyros	Sebelius
Davis, Ga.	Latta	Shipley
Davis, S.C.	Leggett	Shoup
Davis, Wis.	Lent	Shuster
de la Garza	Litton	Sikes
Delaney	Long, La.	Sisk
Denholm	Long, Md.	Slack
Dennis	Lujan	Smith, N.Y.
Dent	McClary	Snyder
Derwinski	McCloskey	Spence
Diggs	McCollister	Staggers
Dingell	McDade	Steed
Dorn	McEwen	Steele
Dowling	McSpadden	Steelman
Dulski	Macdonald	Steiger, Ariz.
Duncan	Madigan	Steiger, Wis.
du Pont	Mahon	Stratton
Esch	Mallary	Stubblefield
Eshleman	Mann	Stuckey
Evins, Tenn.	Maraziti	Studds
Flynt	Martin, N.C.	Sullivan
Forsythe	Mathias, Calif.	Talcott
Fountain	Mathis, Ga.	Taylor, Mo.
Frenzel	Matsunaga	Taylor, N.C.
Frey	Mayne	Teague, Calif.
Fruehlich	Mazzoli	Thone
Fulton	Melcher	Thornton
Gaydos	Michel	Tiernan
Gialmo	Miller	Towell, Nev.
Gibbons	Minish	Treen
Gillman	Minshall, Ohio	Ullman
Ginn	Mitchell, N.Y.	Van Deerlin
Goldwater	Mizell	Vander Jagt
Gonzalez	Moakley	Veysey
Gooding	Montgomery	Vigorito
Grasso	Moorhead,	Waggonner
Gray	Calif.	Walsh
Green, Oreg.	Mosher	Wampler
Gross	Moss	White
Grover	Murphy, N.Y.	Whitehurst
Gubser	Myers	Whitten
Guyer	Nelsen	Widnall
Haley	Nichols	Williams
Hammer-	O'Brien	Wilson, Bob
schmidt	Parris	Wilson,
Hanley	Fassman	Charles H.,
Hanrahan	Patman	Calif.
Hansen, Idaho	Perkins	Charles, Tex.
Harsba	Pettis	
Hays	Peyster	Wolf
Heckler, W. Va.	Pickle	Wright
Heckler, Mass.	Pike	Wyatt
Heinz	Poage	Wylder
Henderson	Powell, Ohio	Wylie
Hicks	Freyer	Wyman
Hillis	Quillen	Yatron
Hinshaw	Rallsback	Young, Alaska
Hogan	Randall	Young, Fla.
Holt	Rarick	Young, Ill.
Horton	Rinaldo	Young, S.C.
Hosmer	Roberts	Young, Tex.
Huber	Robison, N.Y.	Zion
Hudnut	Rogers	
Hungate	Roncallo, N.Y.	

## NOES—102

Abzug	Donohue	Kastenmeier
Adams	Drinan	Koch
Alexander	Eckhardt	Lehman
Ashley	Edwards, Calif.	McCormack
Aspin	Ellberg	McFall
Badillo	Evans, Colo.	McKay
Barrett	Fascell	Mailliard
Bergland	Findley	Meeds
Blester	Flood	Mezvisky
Bingham	Foley	Mink
Bolling	Ford	Mitchell, Md.
Brademas	William D.	Mollohan
Breckinridge	Fraser	Moorhead, Pa.
Brown, Calif.	Frelinghuysen	Morgan
Burke, Calif.	Green, Pa.	Murphy, Ill.
Burton	Gude	Natcher
Carey, N.Y.	Hamilton	Nedzi
Chisholm	Hansen, Wash.	Nix
Clay	Harrington	Obey
Conyers	Helstoski	O'Hara
Corman	Hollifield	O'Neill
Culver	Holtzman	Owens
Daniels	Howard	Patten
Dominick V.	Jones, Ala.	Pepper
Dellums	Jordan	Podell

Price, Ill.	Ryan	Udall
Pritchard	Sarbanes	Vanik
Rangel	Seiberling	Ware
Rees	Smith, Iowa	Whalen
Reid	Stanton	Yates
Reuss	J. William	Young, Ga.
Riegle	Stanton	Zablocki
Rodino	James V.	
Roncallo, Wyo.	Stokes	
Rooney, N.Y.	Symington	
Rosenthal	Teague, Tex.	
Rostenkowski	Thomson, Wis.	

## NOT VOTING—53

Abdnor	Gettys	Mills, Ark.
Anderson, Ill.	Griffiths	Price, Tex.
Andrews	Gunter	Quile
N. Dak.	Hanna	Regula
Arends	Harvey	Rhodes
Broyhill, N.C.	Hastings	Robinson, Va.
Camp	Hawkins	Roe
Conable	Hébert	Schroeder
Dellenback	King	Shriver
Devine	Kiuczynski	Skubitz
Dickinson	Landgrebe	Stark
Edwards, Ala.	Landrum	Stephens
Erlenborn	Lott	Symms
Fish	McKinney	Thompson, N.J.
Fisher	Madden	Waldie
Flowers	Martin, Nebr.	Wiggins
Ford, Gerald R.	Metcalfe	Winn
Fuqua	Milford	Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments to be proposed to section 17? If not, the Clerk will read.

The Clerk read as follows:

## EMPLOYMENT OF PERSONNEL

SEC. 18. Section 625 of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to employment of personnel, is amended by adding at the end thereof the following new subsection:

"(k) (1) In accordance with such regulations as the President may prescribe, the following categories of personnel who serve in the Agency for International Development shall become participants in the Foreign Service Retirement and Disability System:

"(A) Persons serving under unlimited appointments in employment subject to section 625(d) (2) of this Act as Foreign Service Reserve officers and as Foreign Service staff officers and employees; and

"(B) A person serving in a position to which he was appointed by the President, whether with or without the advice and consent of the Senate, provided that (1) such person shall have served previously under an unlimited appointment pursuant to said 625(d) (2) or a comparable provision of predecessor legislation to this Act, and (2) following service specified in proviso (1) such person shall have served continuously with the Agency for International Development or its predecessor agencies only in positions established under the authority of sections 624(a) and 631(b) or comparable provisions of predecessor legislation to this Act.

"(2) Upon becoming a participant in the Foreign Service Retirement and Disability System, any such officer or employee shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852 of the Foreign Service Act of 1946, as amended. Thereafter, compulsory contributions will be made with respect to each such participating officer or employee in accordance with the provisions of section 811 of the Foreign Service Act of 1946, as amended.

"(3) The provisions of section 636 and title VIII of the Foreign Service Act of 1946, as amended, shall apply to participation in the Foreign Service Retirement and Disability System by any such officer or employee.

"(4) If an officer who became a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection is appointed by the President, by and with the advice and consent of the

Senate, or by the President alone, to a position in any Government agency, any United States delegation or mission to any international organization, in any international commission, or in any international body, such officer shall not, by virtue of the acceptance of such an appointment, lose his status as a participant in the system.

"(5) Any such officer or employee who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection shall be mandatorily retired (a) at the end of the month in which he reaches age seventy or (b) earlier if, during the third year after the effective date of this subsection, he attains age sixty-four or if he is over age sixty-four; during the fourth year at age sixty-three; during the fifth year at age sixty-two; during the sixth year at age sixty-one; and thereafter at the end of the month in which he reaches age sixty: *Provided*, That no participant shall be mandatorily retired under this paragraph while serving in a position to which appointed by the President, by and with the advice and consent of the Senate. Any participant who completes a period of authorized service after reaching the mandatory retirement age specified in this paragraph shall be retired at the end of the month in which such service is completed.

"(6) Wherever the President deems it to be in the public interest, he may extend any participant's service for a period not to exceed five years after the mandatory retirement date of such officer or employee.

"(7) This subsection shall become effective on the first day of the first month which begins more than one year after the date of its enactment, except that any officer or employee who, before such effective date, meets the requirements for participation in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection may elect to become a participant before the effective date of this subsection. Such officer or employee shall become a participant on the first day of the second month following the date of his application for earlier participation. Any officer or employee who becomes a participant in the system under the provisions of paragraph (1) of this subsection, who is age fifty-seven or over on the effective date of this subsection, may retire voluntarily at any time before mandatory retirement under paragraph (5) of this subsection and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

"(8) Any officer or employee who is separated for cause while a participant in the Foreign Service Retirement and Disability System pursuant to this subsection, shall be entitled to benefits in accordance with subsections 637 (b) and (d) of the Foreign Service Act of 1946, as amended. The provisions of section 625(e) of this Act shall apply to participants in lieu of the provisions of sections 633 and 634 of the Foreign Service Act of 1946, as amended."

Mr. MORGAN (during the reading). Mr. Chairman, I know of no amendments to this section, so I ask unanimous consent that section 18 be considered as read and printed in the Record at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to section 18?

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

## PARLIAMENTARY INQUIRY

Mr. FASCELL. Mr. Chairman, a parliamentary inquiry. Is the gentleman offering an amendment to section 18?

The CHAIRMAN. The Chair asked



whether or not there were any amendments to section 18.

Mr. BIAGGI. A parliamentary inquiry, Mr. Chairman. I have an amendment at the desk relating to section 17. I inquired of the Chair, and the Chair assured me I would be given an opportunity.

The CHAIRMAN. The Chair understands the gentleman. The Chair put the question as to whether there were additional amendments to section 17. The Chair does not know whether the gentleman was in the Chamber at the time.

Mr. MORGAN (during the reading). Mr. Chairman, I know of no objections to section 18, and I ask unanimous consent that section 18 may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to section 18?

Mr. BIAGGI. Mr. Chairman, I was on my feet and seeking recognition at the time section 17 was considered as read.

The CHAIRMAN. The Chair will state to the gentleman from New York that the Chair looked for and did not see the gentleman. The gentleman from New York, however, can ask unanimous consent to return to section 17 for the purpose of offering the gentleman's amendment to that section.

Mr. BIAGGI. Mr. Chairman, I ask unanimous consent to return to section 17 of the bill so that I may offer my amendment to that section.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. MORGAN. Mr. Chairman, reserving the right to object—and I shall not object—I merely wish to state that I want to preserve the right of the gentleman from New York (Mr. Biaggi) to offer his amendment. The gentleman had consulted with me on his amendment, and the gentleman waited when I made the request for a time limitation. Therefore, I hope that the House will accede to the unanimous-consent request of the gentleman from New York so that we can return to section 17 so that the gentleman may offer his amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. BUCHANAN. Further reserving the right to object, I believe that there were two amendments relating to this section. Am I correct in that?

The CHAIRMAN. The Chair will state to the gentleman from Alabama that after the recorded vote was taken on the last amendment, the Chair put the question to the House as to whether there were further amendments to section 17, and the Chair received no response from any Member in the Chamber, and as the Chair stated previously, he did not see the gentleman from New York (Mr. Biaggi). However, the gentleman from New York (Mr. Biaggi) has requested unanimous consent that we return to section 17 so that he might offer his amendment. The gentleman from New York, however, does not have the right

to debate his amendment. He may simply offer the amendment.

Mr. BUCHANAN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Biaggi: Page 25, line 18, after the words "United States", add the following sentence: "The President's report shall contain assurances that the Government of North Vietnam are cooperating fully in providing for a full accounting of any remaining prisoners of war and all missing in action."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Biaggi).

The question was taken; and the Chair announced that the noes appeared to have it.

PARLIAMENTARY INQUIRY

Mr. BIAGGI. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BIAGGI. Mr. Chairman, did the Chairman state that the ayes had it?

The CHAIRMAN. The Chair will state that the Chair announced that the noes appeared to have it.

Mr. BIAGGI. Mr. Chairman, I was under the misinformation that I had heard the Chair announce that the ayes appeared to have it.

Had I heard the Chair announce that the noes appeared to have it, I would have demanded a division.

Therefore, Mr. Chairman, on that I demand a division.

The question was taken by a division (demanded by Mr. Biaggi) and there were—ayes 58, noes 8.

So the amendment was agreed to.

The CHAIRMAN. Are there any amendments to section 18? If not, the Clerk will read.

The Clerk read as follows:

REPORTS AND INFORMATION

SEC. 19. Section 634 of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to reports and information, is amended by striking out subsection (f) and inserting in lieu thereof the following new subsections:

"(f) The President shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of Senate, a comprehensive report showing, as of June 30 and December 31 of each year, the status of each loan, and each contract of guarantee or insurance, theretofore made under this Act, with respect to which there remains outstanding any unpaid obligation or potential liability; the status of each sale of defense articles or defense services on credit terms, and each contract of guarantee in connection with any such sale, theretofore made under the Foreign Military Sales Act, with respect to which there remains outstanding any unpaid obligation or potential liability; the status of each sale of agriculture commodities on credit terms theretofore made under the Agricultural Trade Development and Assistance Act of 1954, with respect to which there remains outstanding any unpaid obligation; and the status of each transaction in which a loan, contract of guarantee or insurance, or ex-

tension of credit (or participation therein) was theretofore made under the Export-Import Bank Act of 1945, with respect to which there remains outstanding any unpaid obligation or potential liability: *Provided, however*, That this report shall report individually only those loans, contracts, sales, extensions of credit, or other transactions listed above in excess of \$1,000,000.

"(g) The President shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate, not later than January 31 of each year, a comprehensive report, based upon the latest data available, showing—

"(1) a summary of the worldwide dimensions of debt-servicing problems among such countries, together with a detailed statement of the debt-servicing problems of each such country;

"(2) a summary of all forms of debt relief granted by the United States with respect to such countries, together with a detailed statement of the specific debt relief granted with respect to each such country and the purpose for which it was granted;

"(3) a summary of the worldwide effect of the debt relief granted by the United States on the availability of funds, authority, or other resources of the United States to make any such loan, sale, contract of guarantee or insurance, or extension of credit, together with a detailed statement of the effect of such debt relief with respect to each such country; and

"(4) a summary of the net aid flow from the United States to such countries, taking into consideration the debt relief granted by the United States, together with a detailed analysis of such net aid flow with respect to each such country."

Mr. MORGAN (during the reading). Mr. Chairman, I know of no amendments to section 19. I therefore ask unanimous consent that section 19 may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BUCHANAN. Mr. Chairman, reserving the right to object, if the unanimous-consent request of the gentleman from Pennsylvania is granted, this section will then be open to amendments at that time?

The CHAIRMAN. The Chair will state to the gentleman from Alabama that the section 19 will be open to amendment at any point.

Mr. BUCHANAN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to section 19?

AMENDMENT OFFERED BY MR. YOUNG OF GEORGIA

Mr. YOUNG of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Young of Georgia: Page 29, line 18, insert "(a)" after "Sec. 19."

Page 31, after line 21, insert the following:

(b) (1) The Comptroller General of the United States shall, as soon as possible following the date of the enactment of this Act and at quarterly intervals thereafter, make a determination and report to Congress with respect to the use by Portugal in direct or indirect support of its military activities in its African colonies of:

(A) assistance furnished under Foreign Assistance Act of 1961 after the date of the

enactment of the Mutual Development and Cooperation Act of 1973.

(B) defense articles or services furnished after such date under the Foreign Military Sales Act (whether for cash or by credit, guarantee or any other means), or

(C) agricultural commodities furnished after such date under the Agricultural Trade Development and Assistance Act of 1954.

"(2) Any assistance or sales referred to in the preceding paragraph shall be suspended upon the submission to Congress of a report by the Comptroller General containing his determination that any such assistance or item so furnished after such date has been used in direct or indirect support of Portugal's military activities in its African colonies. Such suspension shall continue until such time as the Comptroller General submits a report to Congress containing his determination that appropriate corrective action has been taken by the Government of Portugal.

Mr. MORGAN. Mr. Chairman, I just wonder if this section is the proper place for this amendment. I would like to reserve a point of order until we find out whether this is the proper location.

The CHAIRMAN. The gentleman from Georgia has already been recognized.

Mr. YOUNG of Georgia. Mr. Chairman, I should like to take just a little time to see if we cannot call the attention of this body to Portugal's use of our funds potentially in their struggle in southern Africa. I think we never would have entered into a war in Vietnam had we realized how gradual involvement would escalate to a \$100 billion war. Yet most of us knew nothing about Vietnam until we were deeply into it.

I was part of a little group in Sunday school that started studying about a mission station sponsored by our church in Angola, and I have had an abiding interest in that part of the world for a long, long time. So it disturbed me the first of the week when I read of reported massacres and intense military activity between the government of Portugal and the people in the colonies of Angola and Mozambique. I do not want to argue the issues involved there. The main point of my amendment is that this body be kept closely informed so that our funds not seek to get us continually involved here. We send funds and then equipment; then gradually we begin to go into training; next we are sending advisers; before we know it, there are troops, and there is a full-scale commitment.

My amendment simply calls for an oversight of Portugal's use of funds that are in this bill, and that those funds not be used to in any way drag this country into any kind of war in southern Africa.

Most of the colonial powers have long since abandoned their groundless claims to sovereignty over foreign lands and peoples. But not Portugal. Instead of ceding to the vast majority of the people of Mozambique, Angola, and Guinea-Bissau their legitimate rights to control of those African lands, the Portuguese colonialist government to this day pursues a policy of terror, massacre, torture, and violence.

For too long, the United States has given direct and indirect assistance to that policy. From 1946 through 1972, American military aid to Portugal was worth \$344 million; economic assistance

amounted to \$227.8 million. The total of \$571.8 million was a significant contribution to the maintenance of colonial rule in Africa.

Today we are asked to approve continuation of aid to Portugal, at a time when new reports of violence and destruction are reaching us from the Portuguese colonies: Massacres of hundreds of African people by Portuguese armed forces, corroborated by the testimony of eyewitnesses and priests, nuns, and bishops; destruction of crops in liberated areas of Mozambique; napalm attacks in Angola and the other colonies. It is the same old continuing pattern of violence against the African population.

If my colleagues think, as I do, that this is all too reminiscent of the American experience in Vietnam, you may also share my view that Portugal should draw upon our example and withdraw her troops from Africa. Certainly the colonies there pose no threat to the security of the distant shores of Portugal.

The reality, however, is that the Portuguese Government remains unyielding on the issue, so today I propose that this House take a very simple step to indicate that we will no longer participate, directly or indirectly, in the Portuguese crimes against the African people of Angola, Guinea-Bissau, and Mozambique.

Mr. Chairman, I consider it my duty to speak out against the repression of human rights, wherever it is found. I am glad that an overwhelming majority of both bodies of this Congress have spoken with a voice of conscience against the persecution of Jewish citizens in the Soviet Union. I am grateful that, at long last, both houses have spoken with a voice of conscience in repudiating the American bombing of Cambodia and Laos.

I urge the House today to continue this healthy new trend of congressional leadership in foreign affairs, to lead our country on a consistent and healthy new course against injustice in the world, to put the Portuguese Government on notice that this is the year 1973 and the days of violent colonialist rule are over.

Mr. Chairman, some may say that the assistance to Portugal is moderate, although I note the irony of a 1972 agreement which could make available to one country, Portugal, \$30 million worth of grain—the same amount provided in this bill for six countries of the Sahel in Africa which are confronting massive starvation.

However modest U.S. foreign aid to Portugal may seem, it is vastly significant if the people of the United States contribute any amount to a government which fosters the sordid crimes against humanity that have been taking place in Africa. Once again, I say that we should say plainly and emphatically here today that we will not participate in it, in any fashion.

I urge support of my amendment.

AMENDMENT OFFERED BY MR. BUCHANAN TO THE AMENDMENT OFFERED BY MR. YOUNG OF GEORGIA

Mr. BUCHANAN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Georgia (Mr. YOUNG).

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN to the amendment offered by Mr. YOUNG of Georgia: Strike out "Comptroller General" each place it appears and insert in lieu thereof "President".

Strike out "direct or indirect" each place it appears.

Strike out "as soon as possible following" and insert in lieu thereof "as soon as practicable following".

Strike out "and at quarterly intervals thereafter".

Mr. BUCHANAN. Mr. Chairman, there may be many Members who share the concern of the gentleman from Georgia over the situation which he has described. My amendment would simply hopefully make it acceptable to those who might have questions about the effect of his amendment. The amendment as written provides the Comptroller General of the United States shall make these determinations about a foreign country, and that the action of cutting off the assistance shall be triggered on his report. My amendment would insert in lieu thereof "the President," and it would be a matter of a single Presidential determination as to the situation with Portugal and as to whether or not the assistance should be cut off. The report would be from the President; the decision would be by the President.

It would be as soon as practicable following this act, rather than as soon as possible. I think this is more reasonable language, but I think the purpose of the gentleman from Georgia may be one that other Members would endorse. I hope they will support my amendment to his amendment.

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

Mr. BUCHANAN. I yield to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I share the sentiments of the gentleman from Georgia, but I agree with the gentleman from Alabama that in asking the Comptroller General to make a finding, when the only means of getting information is through a foreign country, we would be asking him to do something he might not be able to do. To put this requirement on the President I think will achieve the purpose without the complications that would be involved if the Comptroller General were to attempt it.

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

Mr. BUCHANAN. I yield to the gentleman from Pennsylvania (Mr. BIESTER).

Mr. BIESTER. Mr. Chairman, I support the amendment to the amendment offered by the gentleman from Georgia.

Am I correct that in the event the committee should support the amendment to the amendment, the gentleman from Alabama would also support the amendment of the gentleman from Georgia?

Mr. BUCHANAN. That is precisely correct. I urge the adoption of my amendment.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. Mr. Chairman, I would certainly recommend the amendment offered by the gentleman



from Alabama to the amendment, and I will support it. My main intention is to put a close watch on this body on any funds we sent to Portugal.

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

Mr. Chairman, I think there is more to this amendment than is apparent. We must remember that amendments affecting Portugal have been on this floor many, many times.

I want to say that we have a very important base in the Atlantic, the Azores. We used to pay Portugal a considerable amount for that base, but today we pay Portugal through Public Law 480 sales, Export-Import Bank credit and educational funds. We may also give them up to \$5 million in excess military equipment.

I cannot assure anyone that Public Law 480 food is not going to filter down to the African colonies of Portugal. But I am worried that amendment gives the President an extra heavy duty to make a determination which he may not be able to make.

I agree with the gentleman from California (Mr. MAILLIARD) about the original amendment offered by the gentleman from Georgia which gave that determination to the Comptroller General. It would be impossible for him to get into Portugal or its colonies to determine what goes on. I also think the President would have a very difficult time making such a determination, so I am reluctant to support either the amendment to the amendment or the amendment offered by the gentleman from Georgia.

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

Mr. MORGAN. I yield to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, the distinguished gentleman from Pennsylvania is exactly right. We are asked to embark upon a very dangerous procedure.

We have in the Azores one of the most important military bases which is available to the United States. It has other very significant defense connotations to our own forces. It is necessary to the NATO defense structure. The use of the base costs us virtually nothing. We are there by sufferance of the Portuguese Government. These people are our friends. We need friends not enemies.

The amendment of the gentleman from Georgia is insulting to a friendly nation. It could cost us the use of one of our most valuable bases. The language of the amendment to the substitute offered by the gentleman from Alabama certainly is preferable. It makes much more sense although I think we are on dangerous ground with either of them. Both the amendment and the substitute should be rejected.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. Mr. Chairman, there is nothing in this bill that would in any way interfere with our relationship in the Azores. Portugal needs us more than we need them. They are desperately depending on their relationship to NATO, and the base in the Azores

directly relates to our NATO agreements.

We talk about food under Public Law 480 going to Portugal. Fine, I support that totally, but when they begin to send some \$31 million of food to feed cattle in Angola to build up a competitive cattle industry to our industries here at home, especially in view of the grain shortage we have here, I say this is a situation that is well worth watching.

I hope that the committee will support my amendment and authorize the President to watch these appropriations.

Mr. MORGAN. Mr. Chairman, I just want to say to the gentleman from Georgia that if the amendment was offered to Public Law 480, and limited, as he says, to \$30 million in Public Law 480 sales, I would be glad to consider it. I think on its present broad basis, the amendment would jeopardize our great airbase in the Atlantic.

I think the amendment should be rejected.

Mr. REID. Mr. Chairman, I rise in support of the amendment. I commend the gentleman from Georgia for offering it.

I would point out that Jack Kennedy once said that unfortunately U.S. policy in Southern Africa was determined by a strip of concrete in the Atlantic. This comment still bears far too much validity, as we have seen in our own Government's actions in the United Nations, let alone our supplying of Portugal with Boeing aircraft or our doctoring of munitions lists and definitions to create loopholes to enable the selling of herbicides to Portugal.

The United States has been in a tiny minority in its policy of obstructionism, at best, and of implied assistance of Portugal in its efforts to retain control of its African territories.

Now, even in the face of numerous allegations of violent massacres in the Tete district of Mozambique of up to 400 persons, the U.S. Government remains silent. We in the Congress must broaden our horizons to inform ourselves and to act, when necessary, in support of peoples seeking independence and liberation from colonial rule. The amendment offered by the gentleman from Georgia does much to assist us in that role.

Quite frankly, I believe it is already late, but we still have time to recognize that the United States can and must exercise leverage on Portugal, in order to work toward the process of independence and majority rule for Angola, Mozambique, and Guinea-Bissau.

For the future, one thing is certain. Change in what is now Portuguese Africa will occur. No nation or allied nations can prevent this. The only question is whether there will be peaceful change or violent change. I believe that it is up to the statesmen of the world, and indeed to the Congress of the United States, to give diplomacy a chance, and to bring about peaceful change rather than violent change.

Again I commend the gentleman from Georgia and urge support of the amendment.

Mr. DENNIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not too enamored with foreign aid at all. I sympa-

thize with the objectives of the gentleman from Georgia, but I feel, and I feel very seriously, which is why I take the time to say so at this point, that if foreign aid has any basis or point at all it is to get something done not for someone else but for us, as an instrument of foreign policy, insofar as it has any merit.

When we get into the business of trying to use it to tell other countries how they should manage their internal affairs, regardless of what we may think about how they manage them, we are getting into very dangerous ground. And when we do it in a manner which might jeopardize one of the few useful, concrete things we really need, that we get out of this; namely, the base referred to, I believe we are making a serious mistake.

Of course, the amendment of my friend from Alabama is preferable in its language.

Although the thrust of both amendments is good at heart, as a practical matter they are both bad from the point of view of what this Nation should be doing in its own practical self-interest in this type of field.

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

Mr. Chairman, I wonder what we are getting with resolution of this kind.

This Government has been giving aid, for instance, to Burundi where the governing tribe of Hutu—to I believe that is the way it is pronounced—is doing a pretty good job of slaughtering another tribe, the Tutsis.

At any rate, a good many thousands of people are being massacred in Burundi. If we are going to follow up where this aid goes and adopt resolutions of one kind or another such as this resolution, I wonder where the end will come to this sort of business.

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

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

Mr. FRASER. Does the gentleman agree with the provision or understanding we have with Portugal that this assistance should not be used in Africa? Does the gentleman agree with that provision we have, or understanding, with Portugal?

Mr. GROSS. I do not know about any "agreement." The gentleman says, "agreement," and in another breath he says, "understanding." I do not know what he is talking about.

Mr. FRASER. The condition of assistance would not be used in Africa. Will the gentleman agree with that?

Mr. GROSS. Mr. Chairman, what does the gentleman mean by "condition"? Whose condition and with whom?

Mr. FRASER. We say to them, "We will make this stuff, but you are not to use it in Africa."

Mr. GROSS. Are we going to say to the minority, which happens to be the ruling tribe in Burundi, that "You get no aid except on the condition that you quit slaughtering the Tutsis?"

Mr. FRASER. Frankly, I wish we would cut off any aid to any government that sanctions that kind of massacre, and I

think we ought to be consistent in that agreed.

Mr. GROSS. We have given aid to Uganda in the past. What about Amin, the ruthless dictator of that country?

Mr. FRASER. Our Ambassador is out of Uganda now. I think we have stopped our aid there, and it is long overdue.

Mr. GROSS. I do not know anything about that. I am just asking how long we are going to go along with proposals of this kind, meddling in the internal affairs of other nations. If we are going to meddle in the affairs of the Portugal why not every other country under similar circumstances?

Mr. FRASER. If people are being killed on a widespread scale, that is not "meddling."

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

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

Mr. DERWINSKI. Mr. Chairman, when we get into an area like this where emotions are involved and we run into precedents such as this, the amendment offered by the gentleman from Georgia is nonproductive. I think it would be preferable if we accepted the amendment offered by the gentleman from Alabama.

Mr. GROSS. Mr. Chairman, I oppose both the amendment and the amendment to the amendment.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

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

Mr. YOUNG of Georgia. Mr. Chairman, I would certainly say that with regard to any nation which is still slaughtering people within their own borders with weapons supplied to their own government, we ought not to supply them with the weapons to slaughter people. This is the thing I am saying here.

Mr. Chairman, this just prevents us from being involved gradually in a conflict, as we became dragged into the war in Vietnam.

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

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

Mr. TREEN. Mr. Chairman, I will direct my question to the gentleman from Georgia (Mr. YOUNG).

I want to understand this amendment. I am in favor of cutting off any funds directed toward military actions of Portugal and the colonies, but is the gentleman's amendment directed to that, or is it the intent of the gentleman to prohibit any sort of aid in those colonies?

Is it just in regard to military matters, the use of Portuguese military forces?

Mr. YOUNG of Georgia. Mr. Chairman, if the gentleman will yield, the amendment merely asks for the control and allow the President to keep a close watch on this situation to see that American funds are not used to perpetuate other nations' wars.

Mr. TREEN. Is it the intent of that amendment that if any funds were used for any purpose whatsoever in the colonies, we would then take action, or is it for military purposes?

Mr. YOUNG of Georgia. It is not for military purposes.

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

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

Mr. DENNIS. Mr. Chairman, as I understand the gentleman from Minnesota, we have gotten an agreement which says the Portuguese should not use the money for this purpose. Now, if they are violating an agreement—I do not know whether they are or not—if they are, we ought to just cut it off. But to assume they are violating it and say we are going to keep a watch on a supposedly friendly nation, that strikes me as a very unfriendly thing to do. If they are violating it, let us cut it off; let us cut off their capacity for war.

Mr. PASSMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is the most painful act in my 27-year career in Congress. It has been my privilege to chair the Appropriations Subcommittee on Foreign Operations for 19 years. I have never interfered with the foreign assistance authorization bill but I do not think I could live with my conscience if I did not bring one matter to the attention of the Members.

I ask the Members, if they will look at the committee bill on page 41. The committee report indicates that the bill presently before us authorizes \$2,833 million for foreign aid, but there is also an additional \$5 billion unintentional boobytrap in this bill.

Let me explain it to you if I may. On page 41 you find a program known as the U.S. Export Development Credit Fund. Nothing is mentioned about the amount involved in dollars, it is just plain, simple, innocent-sounding language. It says:

In the interest of increasing United States exports to the lowest income countries, thereby contributing to high levels of employment and income in the United States and to the establishment and maintenance of long-range, growing export markets, while promoting development of such countries, the President shall establish a fund to be known as the United States Export Development Credit Fund . . .

That is a part of it. Now, if you go over to page 42, you find the following language in section 902:

As may hereafter be provided in annual appropriation Acts, the President is authorized to borrow from whatever source he deems appropriate, during the period beginning on the date of enactment of this part and ending on December 31, 1977, and to issue and sell such obligations as he determines necessary to carry out the purposes of this part. The aggregate amount of such obligations outstanding at any one time shall not exceed one-fourth of the amount specified in section 7 of the Export-Import Bank Act of 1945 on July 1, 1973.

That sounds awfully innocent, but what amount of funds will be involved? It is \$5 billion. Under this language, you are just passing another foreign aid spigot which calls for an annual program of about \$1.25 billion.

Please read the bill, and you will know why I am compelled to offer this amendment. You already have in the foreign aid bill 28 different spigots. Please give

the American taxpayer some sympathy whether you give it to me or not.

Now, what are the facts about foreign aid? You have 28 different spigots of foreign aid and assistance. What you are considering today is only one program. The total request for foreign aid and assistance for 1974 is \$18,003,191,000. If you do not adopt my amendment, you must add to that an additional \$1.25 billion.

This is an unintentional booby trap. It is not known what agency will administer this program. It may be AID or the Export-Import Bank. Keep in mind that you have a pipeline from these 28 different spigots of \$26.8 billion of previously appropriated and authorized funds which have not been expended. Of the programs contained in this bill, there are \$4.5 billion in unexpended funds. This creates another lending agency. How many lending agencies do you already have on the books? The answer is 15. Let me read them to you:

1. A.I.D.—Development Loan Fund.
2. International Bank for Reconstruction and Development.
3. International Development Association.
4. International Finance Corporation.
5. International Monetary Fund.
6. Inter-American Development Bank.
7. Asian Development Bank.
8. Foreign Military Credit Sales Program.
9. Export-Import Bank, Long-Term Credits.
10. Export-Import Bank, Regular Operations.
11. Export-Import Bank, Export Expansion Program.
12. P.L. 480—Economic Development Loans.
13. P.L. 480—Cooley Loans.
14. Overseas Private Investment Corporation.
15. Inter-American Foundation.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. PASSMAN was allowed to proceed for 2 additional minutes.)

Mr. MORGAN. Is the gentleman for or against this amendment?

Mr. PASSMAN. Mr. Chairman, if the gentleman from Pennsylvania would listen, the gentleman would know that I have an amendment pending that is going to be offered subsequently to knock out this Export Development Credit Fund. I am sure my dear friend knows that this innocent language will cost \$5 billion.

Mr. Chairman, I am only pointing this out at this time, because I did not know if there would be a move to cut off debate later, and I wanted an opportunity to explain to the Members this aspect of the bill.

Mr. Chairman, we had a public debt of \$159 billion when Mr. Truman was President, and then in the subsequent 25 years the public debt went up to \$455 billion. We increased the public debt by \$296 billion and most of this increase can be attributed to foreign aid. I should also mention that there are a great many loans outstanding with terms of 50 years at no interest.

When I offer my amendment I shall go a bit more into detail on it, but if I should be deprived of the right to speak on my amendment, because of a limita-



tion of debate, then I ask the Members to please, if they will, support my amendment and save the American taxpayers \$5 billion.

Mr. DE LA GARZA. Mr. Chairman, I rise in opposition to the amendments offered by the gentlemen from Alabama and Georgia. This seems a simple enough request for oversight over Public Law 480. I do not agree, it is intended as a vehicle to have this House be on record questioning the actions of the friendly country of Portugal, our steadfast friend for many years. We cannot forget the contribution which Portugal made in past centuries to the civilized world, the brave Portuguese sailors brought, yes, brought civilization to many areas of the world, and for us by this type of amendment to challenge their honesty and integrity in abiding by international or bilateral agreements would be a direct insult.

We have diplomatic relations with Portugal, we have friendly relations, we are on speaking terms, there are better ways, more proper ways and avenues to pursue the subject which interest the gentleman from Georgia than this manner before us. This is no way to treat a friendly, sovereign nation who has remained by our side during this Nation's hour of need. We should not forget.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. BUCHANAN) to the amendment offered by the gentleman from Georgia (Mr. YOUNG).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. YOUNG) as amended.

The question was taken; and on a division (demanded by Mr. YOUNG of Georgia) there were—ayes 69, noes 57.

So the amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to be proposed to section 19? If not, the Clerk will read.

The Clerk read as follows:

#### ADMINISTRATIVE EXPENSES

Sec. 20. Section 637(a) of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to authorizations for administrative expenses, is amended by striking out "for the fiscal year 1972, \$50,000,000, and for the fiscal year 1973, \$50,000,000," and inserting in lieu thereof "for the fiscal year 1974, \$53,100,000 and for the fiscal year 1975, \$53,100,000".

#### FAMINE AND DISASTER RELIEF AND AFRICAN SAHEL DEVELOPMENT PROGRAM

Sec. 21. Chapter 2 of part III of the Foreign Assistance Act of 1961 is amended by striking out section 639 and inserting in lieu thereof the following new sections:

"Sec. 639. FAMINE AND DISASTER RELIEF.—Notwithstanding the provisions of this or any other Act, the President is authorized to furnish famine or disaster relief or rehabilitation or related assistance abroad on such terms and conditions as he may determine.

"Sec. 639A. FAMINE AND DISASTER RELIEF TO THE AFRICAN SAHEL.—(a) The Congress affirms the response of the United States Government in providing famine and disaster relief and related assistance in connection with the drought in the Sahelian nations of Africa.

"(b) Notwithstanding any prohibitions or restrictions contained in this or any other

Act, there is authorized to be appropriated to the President, in addition to funds otherwise available for such purposes, \$30,000,000 to remain available until expended, for use by the President, under such terms and conditions as he may determine, for emergency and recovery needs, including drought, famine, and disaster relief, and rehabilitation and related assistance, for the drought-stricken Sahelian nations of Africa.

"Sec. 639B. AFRICAN SAHEL DEVELOPMENT PROGRAM.—The Congress supports the initiative of the United States Government in undertaking consultations and planning with the countries concerned, with other nations providing assistance, with the United Nations, and with other concerned international and regional organizations, toward the development and support of a comprehensive long-term African Sahel development program."

Mr. MORGAN (during the reading). Mr. Chairman, I know of no amendments to sections 20 and 21, and I therefore ask that sections 20 and 21 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to sections 20 and 21? If not, the Clerk will read.

The Clerk read as follows:

#### ADMINISTRATIVE PROVISIONS

Sec. 22. Chapter 2 of part III of the Foreign Assistance Act of 1961, relating to administrative provisions, is amended by adding at the end thereof the following new sections:

"Sec. 640B. COORDINATION.—(a) The President shall establish a system for coordination of United States policies and programs which affect United States interests in the development of low-income countries. To that end, the President shall establish a Development Coordination Committee which shall advise him with respect to coordination of United States policies and programs affecting the development of the developing countries, including programs of bilateral and multilateral development assistance. The Committee shall include the Administrator, Mutual Development and Cooperation Agency, Chairman; and representatives of the Departments of State, Treasury, Commerce, Agriculture, and Labor, the Executive Office of the President, and other executive departments and agencies, as the President shall designate.

"(b) The President shall prescribe appropriate procedure to assure coordination among the various departments and agencies of the United States Government having representatives in diplomatic missions abroad.

"(c) Programs authorized by this Act shall be undertaken with the foreign policy guidance of the Secretary of State.

"(d) The President shall report to the Congress during the first quarter of each calendar year on United States actions affecting the development of the low-income countries and on the impact of those undertakings upon the national income, employment, wages and working conditions in the United States.

"Sec. 640C. SHIPPING DIFFERENTIAL.—For the purpose of facilitating implementation of section 901(b) of the Merchant Marine Act, 1936 (49 Stat. 1985; 46 U.S.C. 1241(b)), funds made available for the purposes of chapter 1 of part I or for purposes of part VI may be used to make grants to recipients under this part to pay all or any portion of such differential as is determined by the Secretary of Commerce to exist between United States and foreign-flag vessel charter or

freight rates. Grants made under this section shall be paid with United State-owned foreign currencies wherever feasible."

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 22 be considered as read and printed in the RECORD. I know of no amendments to section 22.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to section 22? If not, the Clerk will read.

The Clerk read as follows:

#### MISCELLANEOUS PROVISIONS

Sec. 23. Chapter 3 of part III of the Foreign Assistance Act of 1961, relating to miscellaneous provisions, is amended by adding at the end thereof the following new sections:

"Sec. 659. ANNUAL NORTH ATLANTIC TREATY MILITARY ORGANIZATION REPORT.—(a) The Secretary of Defense and the Secretary of State shall submit to the Speaker of the House of Representatives and to the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate, on or before January 15 of each year a report of—

"(1) the direct, indirect, and unallocated costs to the United States of participation in the North Atlantic Treaty Organization (hereinafter in this section referred to as the 'Organization') for the last fiscal year preceding the fiscal year in which the report is submitted;

"(2) the estimated direct, indirect, and unallocated costs to the United States of participation in the Organization for the fiscal year in which the report is submitted;

"(3) the amounts requested from Congress (or estimated to be requested) for the direct, indirect, and unallocated costs to the United States of participation in the Organization for the first fiscal year following the fiscal year in which the report is submitted;

"(4) the estimated impact of expenditures related to United States participation in the Organization on the United States balance of payments including a detailed description of the offsets to such United States expenditures.

For each such direct, indirect, and unallocated cost, the Acts of Congress authorizing such cost and appropriating funds for such cost shall be listed next to such cost in the report.

"(b) For the purposes of this section—

"(1) the term 'direct costs' includes funds the United States contributes directly to any budget of the Organization (including the infrastructure program);

"(2) the term 'indirect costs' includes funds the United States spends to assign and maintain United States civilian employees for the Organization, funds spent for Government research and development attributable to the Organization, contributions to the Organization sponsored organizations, and military assistance furnished under part II of this Act, and sales of defense articles or defense services under the Foreign Military Sales Act, to member nations of the Organization; and

"(3) the term 'unallocated costs' includes (i) funds the United States spends to maintain United States Armed Forces committed exclusively or primarily for the Organization in Europe, the United States, or on the open seas, or to remove such Armed Forces from such commitment, and (ii) funds the United States spends on facilities constructed and maintained for such forces.

"(c) All information contained in any report transmitted under this section shall be public information, except information that the Secretary of Defense or the Secretary of

State designates in such report as information required to be kept secret in the interest of the national defense or foreign policy.

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 23 be considered as read and printed in the RECORD. I know of no amendment to this section.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to Section 23?

AMENDMENT OFFERED BY MR. MILLER

Mr. MILLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER: On page 37 after line 22 insert the following new section:

"SEC. 660. EXCHANGES.—(a) Notwithstanding any authority to furnish assistance under the Mutual Development and Cooperation Act or under the Foreign Military Sales Act, whenever it is in the national interest, the President shall endeavor to insure that, to the maximum extent practicable, such assistance shall be furnished only pursuant to agreements which provide for the exchange of necessary strategic or critical raw materials for such assistance. For purposes of this section, the term 'necessary strategic or critical raw materials' means raw materials, including petroleum or other fossil fuels, which (1) are in short supply in the United States or (2) the United States requirements of which are not produced in the United States.

"(b) Any necessary strategic or critical raw materials transferred to the United States in exchange for assistance may be disposed of or transferred to any agency of the United States Government for stockpiling, sale, transfer, disposal, or for other purposes.

"(c) Amounts received from the sale, transfer, or disposal of materials transferred to the United States in exchange for assistance shall be deposited as miscellaneous receipts in the United States Treasury."

Mr. MILLER. Mr. Chairman, the purpose of my amendment is designed to see that American taxpayers and consumers get something more in return for their money we spend under this bill than just a new name for an old program. My amendment will help achieve what the new title of this bill says—"mutual development." If we are going to reform foreign aid and give it a new acceptability, let us not half step by calling it something it is not. Why, with our critical balance of payments and energy problems, should foreign aid remain a narrow one-way street? The "mutual" in this bill means two, but there are little direct, tangible benefits to the American taxpayers. What I propose is to truly make this program a two-way street whereby both the United States and the recipients of its generosity can satisfy their separate needs at the same time.

My amendment grants the President authority to exchange, when he determines it to be in the national interest, the assistance furnished under this bill for strategic materials and fossil fuels which are either in short supply or which cannot be produced in this country to meet our requirements.

Upon acquiring exchanged materials under this amendment the Government would stockpile them or sell them with the proceeds remitted to the U.S. Treasury.

Let me quote the committee report on this point:

As a nation which consumes 40 percent of the world's annual output of raw materials and energy the United States needs access to the resources of the developing nations which occupy 60 percent of the land surface and control large untapped resources.

Through exchanges, my amendment would provide us this access, help our balance-of-payments account, and preserve domestic raw materials. Over 100 countries need our aid or at least receive it, while we could use the raw materials and energy many of them possess. What I am proposing then are fair exchanges of mutual benefit.

When I think of the countries receiving a bundle of U.S. foreign aid while sitting on top of vast treasures of fossil fuels and strategic minerals that we could put to good use, it is time to start thinking of a new approach based on exchange.

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

Mr. MILLER. I yield to the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. Mr. Chairman, I say to the gentleman from Ohio that on the face of it, the amendment is sound and certainly has a reasonable, nationalistic flavor. However, the fact of the matter is that with the present situation, particularly in the Middle East, and the fact, that the fossil fuels are controlled by an international cartel with which the gentleman is familiar, I suspect that any action we might take on this amendment would merely result in an increase in the price we are obliged to pay OPEC for crude oil.

Therefore, the net result, I fear, would be nil. But I support the gentleman's amendment in principle, inasmuch as we are at the present time, until we get the Alaskan pipeline, very much at the mercy of the international crude oil people.

Mr. MILLER. We are not only discussing petroleum, and I assure the gentleman that the President would be in a better position to help the U.S. taxpayer if he had the authority to barter with nations for the strategic materials they have in return for assistance from the United States.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment. I think the amendment has some merit, but I think, however, it is so worded that it would go too far at this time.

I hope the gentleman from Ohio is listening, because I would assure him that I think the Committee should look into the thrust of this amendment. It might have some merit, but I think right now, by pinning it on this bill without any hearings, we would be buying much more than we thought we would buy.

I think at this time the amendment should be voted down.

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

Mr. MORGAN. I yield to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I agree with the chairman. I think the concept the gentleman from Ohio has in this amendment is one very worthy of taking a careful look at. However, as the gentleman from Illinois suggested, this matter should be looked into to find out what the impact might be. We might find that we had some adverse result that the gentleman from Ohio might not want.

I would hope the gentleman would not press the amendment. I, for one, would be willing to say that the Committee would look into the prospects of looking at some proper authority for some barter arrangements in the future.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The question was taken; and on a division (demanded by Mr. MILLER) there were—ayes 30, noes 50.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INDOCHINA POSTWAR RECONSTRUCTION

SEC. 24. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V

"CHAPTER 1. POLICY

"SEC. 801. STATEMENT OF POLICY.—It is the purpose of this part to (1) authorize immediate high-priority humanitarian relief assistance to the people of South Vietnam, Cambodia, and Laos, particularly to refugees, orphans, widows, disabled persons, and other war victims, and (2) to assist the people of those countries to return to a normal peacetime existence in conformity with the Agreement on Ending the War and Restoring the Peace in Vietnam, the cease-fire agreement for Laos, and any cease-fire agreement that may be reached in Cambodia. In this effort United States bilateral assistance should focus on critical problems in those sectors which affect the lives of the majority of the people in Indochina: food, nutrition, health, population planning, education, and human resource development. United States assistance should be carried out to the maximum extent possible through the private sector, particularly those voluntary organizations which already have ties in that region.

"CHAPTER 2.—GENERAL AUTHORITY AND AUTHORIZATION

"SEC. 821. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos, including especially humanitarian assistance to refugees, civilian war casualties, and other persons disadvantaged by hostilities or conditions related to those hostilities in South Vietnam, Cambodia, and Laos. No assistance shall be furnished under this section to South Vietnam unless the President receives assurances satisfactory to him that no assistance furnished under this part, and no local currencies generated as a result of assistance furnished under this part, will be used for support of police, or prison construction and administration, within South Vietnam.

"SEC. 822. AUTHORIZATION.—There are authorized to be appropriated to the President to carry out the purposes of this chapter, in



addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed \$632,000,000, which amount is authorized to remain available until expended.

"SEC. 823. CENTER FOR PLASTIC AND RECONSTRUCTIVE SURGERY IN SAIGON.—Of the funds appropriated pursuant to section 822 for fiscal year 1974, not less than \$712,000 shall be available solely for furnishing assistance to the Center for Plastic and Reconstructive Surgery in Saigon.

"SEC. 824. ASSISTANCE TO SOUTH VIETNAMESE CHILDREN.—(a) It is the sense of the Congress that inadequate provision has been made (1) for the establishment, expansion, and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights, particularly children fathered by United States citizens.

"(b) The President is, therefore, authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in clauses (1) and (2) of subsection (a) of this section. Of the fund appropriated pursuant to section 822 for fiscal year 1974, \$5,000,000, or its equivalent in local currency, shall be available until expended solely to carry out this section. Not more than 10 percent of the funds made available to carry out this section may be expended for the purposes referred to in clause (2) of subsection (a). Assistance provided under this section shall be furnished, to the maximum extent practicable, under the auspices of and by international agencies or private voluntary agencies.

#### "CHAPTER 3.—CONSTRUCTION WITH OTHER LAWS

"SEC. 831. AUTHORITY.—All references to part I, whether heretofore or hereafter enacted, shall be deemed to be references also to this part unless otherwise specifically provided. The authorities available to administer part I of this Act shall be available to administer programs authorized in this part."

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 24 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BINGHAM: Page 39, beginning in line 20, strike out "\$632,000,000" and insert in lieu thereof "\$441,000,000."

Mr. BINGHAM. Mr. Chairman, this amendment would constitute a cut of about one-third in the amount the committee has recommended for assistance to Indochina.

I would call the attention of Members to the fact that assistance to Indochina, the purpose of it, is outlined in section 801, a statement of policy. I is for the people of Indochina primarily, but it

will also, of course, serve to assist the governments of South Vietnam, Cambodia and Laos.

I propose, as I did in the committee, what I believe is a relatively moderate reduction. This is a very large sum which is recommended for these three countries, \$632 million. I propose a reduction to \$441 million.

The Senate Committee on Foreign Relations has recommended a further reduction to \$376 million.

The fact of the matter is that the recommended sum which was requested by the administration and was approved by the committee on a very narrow vote represents an estimate of the amount that would be needed before the ceasefire agreement was entered into. It is reasonable to suppose some reduction should be made in the amounts needed, in Indochina and particularly South Vietnam for that reason.

There is a more profound reason why I suggest the sum should be reduced. The Government of South Vietnam has been operating on the basis that 4 percent of its expenditures are raised by taxes. This is a situation that simply cannot continue. We cannot go on supporting the economy of South Vietnam to that extent.

If we put pressure on the government there by reducing the amount of aid that is proposed, some changes may be made. If we approve the recommended amount, I believe the government in Saigon will continue on the way it has become accustomed to, of being virtually totally dependent on the taxpayers of the United States for its survival.

I know there are some who would cut out all assistance to Indochina and South Vietnam. I am not of that view. I am not an admirer of the Thieu Government, to say the least, but I believe we have a great obligation to help the reconstruction of Indochina, for the people there, and this aid is intended for the benefit of the people primarily.

I believe this is an intermediate, reasonable position. As I say, the full amount requested by the administration was approved in committee by a very narrow margin over a somewhat smaller cut than I have recommended.

Mr. Chairman, I urge the adoption of this cut of about one-third.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I wish to commend the gentleman for the moderation of this proposal. I am proudly one of those who would go for a much larger cut in the amount we are spending in aid for Indochina. I believe one of these days—it probably will not be too far from now—we are going to recognize that our intervention in the affairs of Indochina through the support we are giving to governments which have no real support to the people of that country is just as serious a matter as our military intervention over there.

I believe the gentleman's amendment,

the gentleman's very reasonable proposal to reduce the amount of aid by about one-third, is a constructive step in the way of straightening out our relationships over there.

Mr. Chairman, I thank the gentleman for yielding.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman from California for his comments, and I would like to direct the gentleman's attention to the statement of policy which the committee has recommended which emphasizes aid to the people of Indochina.

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

Mr. BINGHAM. I am happy to yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I certainly would not want to pull all of our aid out of Vietnam. I believe we must stay there and we must help the South Vietnamese, but my feeling is that there is a tremendous amount of water there that needs to be squeezed out.

Mr. Chairman, I support the gentleman's amendment.

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

Mr. BINGHAM. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, I understand the gentleman's amendment cuts \$191 million out of a total of \$632 million; is that correct?

Mr. BINGHAM. That is correct.

Mr. MORGAN. Then does the gentleman have any instruction with regard to this \$191 million that he is going to cut out? For example, about \$75 million of that \$632 million is earmarked for Cambodia, and \$55 million is for Laos.

Does the gentleman's cut apply across the board, or does it pertain just to Vietnam?

The CHAIRMAN. The time of the gentleman from New York (Mr. BINGHAM) has expired.

(On request of Mr. MORGAN, and by unanimous consent, Mr. BINGHAM was allowed to proceed for 1 additional minute.)

Mr. BINGHAM. Mr. Chairman, if I understand the situation correctly, in its programming the administration has submitted certain figures, but these are not binding upon it.

Mr. MORGAN. Mr. Chairman, I am sure the gentleman is familiar with the program book, and the program book stated the program is \$75 million for Cambodia and \$55 million for Laos.

Mr. BINGHAM. The reduction I proposed would be approximately proportionate. I would not suggest there be a fixed amount for any particular country.

Mr. MORGAN. Then the gentleman's reduction would go to all three countries and would not be confined to Vietnam?

Mr. BINGHAM. It would, in the proportion the administration might determine.

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

Mr. Chairman, I think that some of the ironies attendant with this ought to

be brought out. I do not think that in the time that I have spent in the House I have developed any sympathy for the government of President Thieu and I do not think there is any question at all, to paraphrase the statement of the gentleman from Maryland that there is some water to be squeezed out.

However, I suggest in general that it is somewhat ironic to have the very people who have been most vocal in their objections to our continued involvement in a military situation in that entire area who would be the ones to come on the heels of that involvement. It is long overdue, and I think that would be the basic moving group of Members when it comes to attempting to cut back perhaps the only hope whereby we can redeem some of the problems we have created by managing the policies of half a generation.

Mr. Chairman, I suggest that if there is enthusiasm to do something about the Thieu government and our ability to keep it in power directly or indirectly, there is a very good target involving the military procurement bill which will come up on Monday and Tuesday of next week, when about \$1.5 billion is considered in military assistance to those two countries, which, in my opinion, properly belongs in the bill before us today, but because of deference to the executive branch and, I suppose, acquiescence on our part, remains in the Department of Defense areas or in the Armed Services jurisdiction. It seems to me if we really want to do something about attempting to put pressure on that, that is certainly a far more desirable target which we can recognize if there is some basic obligation.

Whatever our feeling about the inherent virtue of the existing government of South Vietnam and the countries to be affected by this economic assistance, we have to try to make some redress for the problems we created there, whatever our intentions.

It is for that reason that I necessarily find myself in opposition to the gentleman from New York, whom I generally agree with on the concerns he has expressed long and eloquently to end our involvement in Southeast Asia.

I think it is unfortunate that we picked a target of the only area in which we might do some good if we yield the money to be used, with appropriate pressure placed on the military budget side next week. I hope we can leave this intact and do something the first of next week to demonstrate our concern as to how the Thieu government operates.

Mr. DENNIS. Will the gentleman yield?

Mr. HARRINGTON. I yield to the gentleman.

Mr. DENNIS. I would like to associate myself with the gentleman's opening remarks about the irony of the situation but not with his latter remarks about what happens in other legislation.

Mr. HARRINGTON. I will accept the selectivity.

Mr. DENNIS. But I will commend the gentleman, also, on his honesty. It is really a surprising thing to me personally to find these liberal gentlemen and

these humanitarians trying to take money away from refugees and orphans and widows and disabled persons and other war victims for food, nutrition, health, and population planning, education and human resource development because they do not like the politics of the victim's government. I am surprised, and I hope that my conservative friends who want to save money like I do will not increase that irony by joining with this strange effort.

Mr. BROWN of California. Will the gentleman yield to me?

Mr. HARRINGTON. I yield to the gentleman from California.

Mr. BROWN of California. I hope my conservative friends will not completely have lost sight of the purposes for which we hope this money will be used. I am as softhearted when it comes to supporting orphans and widows and children as anybody in this House, but over the 10 years that I have had experience with the program we find most of the money in this program goes into either General Thieu's pocket or somebody else over there. It does not get to the people it should get to but goes into Swiss banks. If you are as conservative as you claim to be, you would want to help some of this money stay in American banks rather than in Swiss banks.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. HARRINGTON. I yield to the gentleman.

Mr. LONG of Maryland. I would be inclined to reverse my judgment if the gentleman can give me any assurance at all that this money that is in the bill would go for humanitarian purposes and reconstruction. What is the basis for the gentleman's feeling that that would be so?

Mr. HARRINGTON. All I can give you is a hope and a feeling. Frankly, if there is a target to worry about, it is Monday and Tuesday of next week and not this particular situation. It is not with any particular feeling for the irony of the situation that I say this, but it is just a feeling of my own.

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

Mr. Chairman, I would like to discuss this section.

I voted for this in the committee, but after I went back and took a good look at the program, I really believe the \$630 million may be too low. Really another \$100 million could be used here very well.

I am going to yield to the gentleman from Louisiana, who will be able to give us some information on this program.

I can give the gentleman from Maryland some assurance that this money is going for reconstruction and for humanitarian development and not going into anybody's pocket.

I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I was withholding this information until we brought out the appropriation bill, but I am going to reveal it at this time.

The Cambodian Government, the Lao-

tian Government, and the South Vietnamese Government have indicated that subsequent aid for development and the various import programs will be on a loan basis. They are making a commitment that this will go into effect.

This agreement was reached with President Thieu and the leaders of Cambodia and Laos. The AID agency and the President of the United States are familiar with it. Also, beginning on or about September 1 the South Vietnamese Government is opening a full-time procurement office here in Washington, D.C., so that any commodities that they desire will be processed for bids in the United States on a business basis. I am going to repeat this: Most of the programs for these countries will be on a loan basis.

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

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

Mr. STUDDS. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman from Massachusetts for yielding to me. I will not comment at length on the statements I just heard, but I am not sure how valuable the commitments would be for a loan to be repaid by the current government in Cambodia. But that is not the reason that I have again gotten to my feet. I simply wanted to read to the Members of the Committee the breakdown of the proposed program submitted by the administration.

Now, it is true we have written a provision as to purposes in there, but the administration is not going to be bound by that any more than they have in the past.

This is the breakdown of the administration program.

There is \$475 million proposed for South Vietnam in their program, \$85 million for humanitarian purposes, \$50 million for reconstruction and rehabilitation, \$48 million for development, \$17 million for technical support, and—listen to this one—\$275 million, or over half, for the commercial import program.

Do the Members know what that means? That means commodities coming in and being sold so that the government will have money to operate with.

I wish there were some way we could guarantee this money going to the people, and going for humanitarian purposes.

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

Mr. BINGHAM. I will in just one moment.

The Saigon government has no way of operating except with American assistance, that is, the assistance that we are giving them so that the Government of South Vietnam can continue to operate.

Mr. MORGAN. Will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. I did not hear the gentleman from New York read the figure of \$77 million for refugees. Did the gentleman leave that out?



Mr. BINGHAM. If the gentleman will yield further, I was reading the program for South Vietnam, and the figures that I have do not include that.

Mr. MORGAN. My figures are \$85 million for humanitarian assistance, \$77 million for refugees, including \$30 million for resettlement of 400,000 refugees in Laos, \$20 million for resettlement of refugees in Cambodia. It goes on and on. The full amount is needed.

Mr. BINGHAM. Mr. Chairman, if the gentleman will yield still further, does the gentleman from Pennsylvania deny that there is a very large commodity import allowed in this program, probably over half of the program is for commercial commodities imports?

Mr. MORGAN. Commodity import programs are for the purpose of supporting national economies. That is a worthy purpose.

Mr. BINGHAM. By their government.

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

Mr. STUDDS. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I would like to say that I am against the amendment. I think everything that the gentleman from Pennsylvania (Dr. MORGAN) said is correct. Of course I am in sympathy with my good friend, the gentleman from Louisiana (Mr. PASSMAN) who is often regarded as the grandfather of foreign aid. Without him, there would not be any foreign aid. The gentleman from Louisiana appropriates some money every year. If we cut too much out of this bill there would not be anything for the gentleman to do. So we ought to defeat the amendment.

I am sure when the gentleman from Louisiana comes up with his figure it will be the right one.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield. I appreciate the gentleman calling me a grandpa and the grandpa thanks him.

Mr. BINGHAM. Mr. Chairman, if the gentleman will yield further, may I ask the gentleman from Ohio whether if the amendment is defeated and the amount that is provided is then kept in the bill, will the gentleman from Ohio support the bill?

Mr. HAYS. If the gentleman will yield—no, I am not going to vote for the bill, but I am for trying to get the best kind of a bill that we can get in case the bill should pass.

I have been here 25 years, and this will be the first time in 25 years that I have voted against the bill. As I stated the other day, I am a slow learner, but I sure found out about this one.

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

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

Mr. Chairman, I do not expect to take the 5 minutes. This discussion should prove, and I hope it is self-evident to most of us, the danger of a cut of this size in a program that is needed to help Vietnam. As we move from a nonmilitary

phase in Southeast Asia, it is quite obvious that a reasonable degree of stability is needed in South Vietnam. The commodity import program is a major way to provide that stability, and a drastic cut at the level proposed would wreak havoc in an area where we do have continuing obligations.

Mr. Chairman, I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The question was taken; and on a division (demanded by Mr. BINGHAM) there were—ayes 10, noes 79.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HARRINGTON

Mr. HARRINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRINGTON: Page 39, line 10, after the period, strike out "No assistance shall be furnished under this section unless the President receives assurances satisfactory to him that no assistance furnished under this part, and no local currencies generated as a result of assistance furnished under this part, will be used for support of police, or prison construction and administration, within South Vietnam."

And insert: "No part of any appropriation made available to carry out this or any other act or local currency generated through commodity sales programs shall be used for public safety programs, police training, support, or advisory programs, prison construction, or prison administration within South Vietnam."

Mr. HARRINGTON. Mr. Chairman, I think it might be appropriate to briefly describe the difference in the language once again in somewhat less formalistic terms. We adopted in committee the language which was first read, which was largely discretionary on the part of the President and deals only with the substance of this legislation before us as far as the ability to withhold from South Vietnam any of those moneys in this bill for the purpose of using them for public safety programs.

My amendment needs no presidential discretion. It involves any piece of legislation in which any sums of money may be found for the purpose of carrying out public safety programs and, in general, is aimed only at attempting to deal with the problem of our allies in the use of American funds for the suppression of political activities in South Vietnam. The amendment in the committee was decisively defeated. I am not under any particular illusion that that is going to be any different in debate this afternoon.

I do feel, though, that if we look at the figures and attempt at least to see again the problem presented, those who are even remotely concerned about the problem might think it makes good sense.

The total amount for public safety that is in our own legislation is about \$1.3 million. The Department of Defense, however, in legislation which will be forthcoming later this year, has requested a total of \$10.6 million for the purpose of carrying out public safety activities on the part of the South Viet-

namese. I suspect that if the events of the last few days are any indication of our awareness in general of other programs, there are other sums of money which we in general are not aware of and other pieces of legislation which are being used for analogous or similar purposes.

I do not know that we can establish for the benefit of those who want it to say that we, in general, would not support someone who is more responsive to civil liberties, but I think there has been enough documentation; documentation in such variety so that there should be some appropriate concern that we not use the funds from any source to provide ability on the part of the Thieu government to maintain any kind of public safety apparatus which is directed to political pressure.

I do not think there is any particular reason to try to embellish on this fund. There are a variety of ways of dealing with the situation in which we find ourselves, historically and somewhat strangely applied. I think it is useful in some stage, that we are attempting to give some help to broaden the restrictions already in the bill.

It is for that reason that I offer the amendment, and I hope it might be favorably considered.

Mr. MITCHELL of Maryland. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman and colleagues, there is something very abhorrent to me about the idea of this Nation supporting and undergirding a government which has suppressed all forms of democracy under the guise of providing police assistance.

My colleague from Indiana (Mr. DENNIS) earlier stated his concern about our meddling into the internal affairs of countries, apropos of the amendment offered earlier by my colleague from Georgia.

My feeling is that the more we involve ourselves in trying to shore up unpopular governments through the means of supporting and sustaining police operations, the more we run into danger of once again being sucked into a kind of terrible situation. The facts are very, very clear.

Under the public safety program of the U.S. Agency for International Development, the Vietnamese police force was converted from a modest civil agency of 19,000 men—Mr. ABOUREZK uses 10,000—in 1963 to a huge paramilitary organization of 120,000 men in 1973. U.S. spending on this effort amounted to \$155 million between 1967 and 1972—\$85.7 million in U.S. Agency for International Development funds and \$69.6 million in defense funds.

Under Central Intelligence Agency organized, and U.S.-financed, Operation Phoenix—purportedly designed to eliminate the Vietcong infrastructure—20,587 Vietnamese civilians were assassinated between January 1968 and May 1971. Another 28,978—other sources say 46,695—were imprisoned without trial. Source of figures is William E. Colby, former head of Civil Operations and Revolutionary Development Support—

the U.S. pacification program—and Director-designate of the Central Intelligence Agency.

Let me cite one other thing here. The first vice speaker of the House of Representatives recently contacted one of our colleagues, Congressman STARK, asking him for support for the Government of South Vietnam. I think Congressman STARK's reply was very meaningful, and I would like to read it:

The HONORABLE D. B. XUAN MINH: I regret that I cannot accept the spirit or substance of your recent letter. You speak of "freedom" when your country has been a stage for the world showing kidnapping, imprisonment, and torture. The leaders of the opposition parties are nowhere visible. Your "democracy" seems to have no more credibility than its paper claims of civil rights and liberties for all.

Can you dispute that in January, 1973, deputy Ho Ngoc Nhuon of your national assembly disclosed a new version of what we knew previously as "Operation Phoenix"? Is it not true that under this plan anyone with allegiances to the opposition is subject to arrest and indefinite imprisonment?

There is widespread belief in this country that our own civilian advisors are now serving as counsel to the national police special branch in Saigon and the provincial interrogation centers. Can you deny the truth of this rumor?

This prevailing philosophy that denies all civil liberties is only one aspect of your government that I distrust. Far more serious, I believe, is your utter disregard for the humane priorities of all other "free societies." War orphans in South Vietnam number in the hundreds of thousands and adequate care is visibly lacking. Your population is now one of refugees and yet little viable planning has been developed for their support.

The vast amount of American foreign aid you receive does not go to the support of these people so critically in need of assistance. We subsidize, instead, your military needs and the social habits of government officials. Such a blatant disregard for basic humanitarianism is totally unacceptable to me.

You may be certain that I will do all within my power to see that all future American aid to your country is suspended. I cannot, under any circumstances, see the justification for such misuse of desperately needed dollars. This money must be used for the support of oppressed people in our own country and Vietnam who must depend on their fellowman for assistance. You do not provide this assistance.

American dollars should be spent abroad for the good of people most sorely in need. I believe that many thousands of the people of your country fit this category. Until all the world can witness that they are truly being rehabilitated, you should not be permitted the luxury of misappropriating and abusing our aid.

FORTNEY H. STARK, Jr.,  
Member of Congress.

JUNE 28, 1973.

Under the terms of the January 1973 agreement on the ending of the war and restoring peace in Vietnam, we pledged:

Not to "impose any political tendency or personality on the South Vietnamese people" (article 9).

To remove "personnel associated with the pacification program" (article 5).

To prohibit "all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other" (article 11).

While the Agency for International Development claims that they have discontinued aid to South Vietnamese prisons and police, we find the following items in the Agency for International Development fiscal year 1974 budget:

#### A. INDOCHINA POSTWAR RECONSTRUCTION ASSISTANCE PROGRAM

One, \$869,000—for computer training of 200 national police command personnel.

Two, \$1,505,000—for police telecommunications system—U.S. Agency for International Development project 730-11-995-380. Of this, \$985,000 will be for 24 U.S. civilian advisors.

Three, \$256,000—for training of 64 police commanders—U.S. Agency for International Development project 730-11-799-372.

#### B. UNLIQUIDATED OBLIGATIONS ACCOUNT

One, \$1,285,000—for public safety communications—project 730-11-710-299.

Two, \$2,472,000—for National police support—project 730-11-710-352.

Three, \$30,000 for corrections centers—project 730-11-710-353.

Other—no Agency for International Development Fund.

#### C. MILITARY ASSISTANCE, SERVICE FUNDED PROGRAM

Expenditure of \$8.8 million by Department of Defense to replenish police ammunition and supplies—permissible under peace agreement as "piece-by-piece" supply transactions.

#### D. PIASTER BUDGET SUPPORT PROGRAM

United States will transfer \$50 million from U.S. accounts to the GVN budget. Senator KENNEDY testified on June 4, 1973, that on February 21, 1973, the United States obligated \$100,000 in piasters for support of the prison system. Many of the piasters in this account came from sale of agricultural products under the Public Law 480 food for peace program.

Total: Except D, \$15.2 million designated for fiscal year 1974 support of Vietnamese police and prisons.

From press conference, January 2, 1973:

Chi Hoa (Prison) is like South Vietnamese society in miniature. There is everything from former presidential candidates, Buddhist monks, women and children who have never committed any offense, to the most hardened criminals and drug addicts. There are countless children in South Vietnamese prisons. Often a mother is arrested too quickly to find anyone to care for her children, so the children are arrested and imprisoned too.

On November 11, 1973, Thieu's nephew, Hoang Duc Nha, claimed that the Saigon government arrested 50,000 political opponents and killed 5,000. Source: CBS Evening News.

The Saigon ministry of information reported that the police made 7,200 raids against political critics between November 8 and 15, 1972.

On June 11, 1973, Dr. John Champlin, a former U.S. Air Force medical officer with several years experience in Vietnam told the House Foreign Affairs Committee that a group of 124 Vietnamese citizens suffering from permanent physi-

cal injuries sustained as a result of their confinement in gun prisons reported that they "had all been examined more than once by American military physicians while in prison but they denied having received so much as an aspirin during their confinement." None had seen evidence of U.S. efforts to "develop better health facilities" in GVN prisons.

A fact sheet on the prisons in South Vietnam follows:

#### A FACT SHEET ON THE PRISONS OF SOUTH VIETNAM

##### MAIN NATIONAL PRISONS

- (1) Chi Hoa—10,000 prisoners.
- (2) Phu Quoc—40,000 prisoners.
- (3) Thu Duc—8,000 prisoners.
- (4) Tan Hiep—10,000 prisoners.
- (5) Con Son—15,000 prisoners.

##### OTHER NATIONAL PRISONS

- (1) 10 Police prisons—3,000 prisoners.
  - (2) Central Intelligence Office prisons—300 prisoners.
  - (3) Cho Quan—500 prisoners.
  - (4) American Prison.
  - (5) Dalat—for youth under 20—2,000 (strictly political prisoners).
- Military Prisons—opponents may claim these have been shut down.
- (1) Go Vap—15,000 prisoners.
  - (2) Military Secret Service Prison—1,000 prisoners.
  - (3) Army Intelligence Officer—500 prisoners.

##### PROVINCIAL PRISONS

- (1) 11 Saigon District Prisons—5,000 prisoners.
- (2) 50 Provincial Prisons—60,000 prisoners.
- (3) 48 Provincial Police Prisons.
- (4) 48 Office of Military Security Prisons.
- (5) 48 Regional Headquarters Prisons.
- (6) 48 American Intelligence Centers.
- (7) 260 District Prisons.

Source: Vietnam News and Reports (April-May 1973).

By: Mr. Ngo Cong Duc, former Deputy of the Saigon Assembly and former President of a Saigon Newspaper Association.

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

Mr. Chairman, the language the gentleman would strike out is:

No assistance shall be furnished under this section unless the President receives assurances satisfactory to him that no assistance furnished under this part, and no local currencies generated as a result of assistance furnished under this part, will be used for support of police, or prison construction and administration, within South Vietnam.

The committee put that in. Of course, the gentleman now comes along to strike that out, and he would insert:

No part of any appropriation made available to carry out this or any other act or local currency generated through commodity sales programs shall be used for public safety programs, police training, support, or advisory programs, prison construction, or prison administration within South Vietnam.

This makes it pretty plain. Let us look at what happened in South Vietnam. AID has withdrawn its public safety advisors in South Vietnam, in accordance with the cease-fire agreement of January 22, 1973, and has terminated its program of assistance to South Vietnam prisons. Therefore, I see no reason for the amendment.

I understand that DOD has some plans from its appropriations to supply some



replacement equipment and commodities to the National Police Force. These are supplies that are vitally needed.

I believe the language of the present bill will give flexibility to the President to make the determination about what is needed to be supported and I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. HARRINGTON).

The question was taken; and on a division (demanded by Mr. HARRINGTON) there were—ayes 23, noes 57.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

#### U.S. EXPORT DEVELOPMENT CREDIT FUND

SEC. 25. (a) The Foreign Assistance Act of 1961, as amended by section 24 of this Act, is amended by adding at the end thereof the following new part:

#### "PART VI

"SEC. 901. GENERAL AUTHORITY.—(a) In the interest of increasing United States exports to the lowest income countries, thereby contributing to high levels of employment and income in the United States and to the establishment and maintenance of long-range, growing export markets, while promoting development of such countries, the President shall establish a fund, to be known as the 'United States Export Development Credit Fund', to be used by the President to carry out the authority contained in this part.

"(b) The President is authorized to provide extensions of credit, upon reasonable assurances of repayment, for the purpose of facilitating the sale to the lowest income countries of United States goods and services which advance mutual development. The provisions of section 201(d) of this Act shall apply to extensions of credit under this part. The authority contained in this part shall be used to extend credit in connection with the sale of goods and services which are of developmental character, with due regard for the objectives stated in section 102(b) of this Act.

"(c) The receipts and disbursements of the Fund in the discharge of its functions shall be treated for purposes of the budget of the United States Government in the same fashion as the receipts and disbursements of the Export-Import Bank of the United States under section 2(a)(2) of the Export-Import Bank Act of 1945.

"SEC. 902. FINANCING.—(a) As may hereafter be provided in annual appropriation Acts, the President is authorized to borrow from whatever source he deems appropriate, during the period beginning on the date of enactment of this part and ending on December 31, 1977, and to issue and sell such obligations as he determines necessary to carry out the purposes of this part. The aggregate amount of such obligations outstanding at any one time shall not exceed one-fourth of the amount specified in section 7 of the Export-Import Bank Act of 1945 on July 1, 1973. The dates of issuance, the maximum rates of interest, and other terms and conditions of the obligations issued under this subsection will be determined by the Secretary of the Treasury with the approval of the President. Obligations issued under the authority of this section shall be obligations of the Government of the United States of America, and the full faith and credit of the United States of America is hereby pledged to the full payment of principal and interest thereon. For the purpose of any purchase of the obligations issued under this part, the Secretary of the Treasury is authorized to use as a

public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the obligations issued under this part. The Secretary of the Treasury may, at any time, sell any of the obligations acquired by him under this section. All redemptions, purchases and sales by the Secretary of such obligations shall be treated as public debt transactions of the United States.

"(b) Except as otherwise provided in section 906, the amounts borrowed under subsection (a) of this section shall be paid into the Fund and used to carry out the purposes of this part. Any difference between the interest paid by the Fund on obligations incurred under subsection (a) of this section shall be paid into the Fund out of receipts specified in section 203 of this Act.

"(c) Receipts from loans made pursuant to this part are authorized to be made available for the purposes of this part. Such receipts and other funds made available for the purposes of this part shall remain available until expended.

"SEC. 903. LENDING CEILING AND TERMINATION.—(a) The United States Export Development Credit Fund shall not have outstanding at any one time loans in an aggregate amount in excess of one-fourth of the amount specified in section 7 of the Export-Import Bank Act of 1945 on July 1, 1973.

"(b) The United States Export Development Credit Fund shall continue to exercise its functions in connection with and in furtherance of its objects and purposes until the close of business on December 31, 1977, but the provisions of this section shall not be construed as preventing the Fund from acquiring obligations prior to such date which mature subsequent to such date or from assuming prior to such date liability as acceptor of obligations which mature subsequent to such date, or from issuing either prior or subsequent to such date, for purchase by the Secretary of the Treasury or any other purchasers, its obligations which mature subsequent to such date or from continuing as an agency of the United States and exercising any of its functions subsequent to such date for purposes of orderly liquidation, including the administration of its assets and the collection of any obligations held by the Fund.

"SEC. 904. REPORTS TO THE CONGRESS.—The President shall transmit to the Congress semiannually a complete and detailed report of the operations of the United States Export Development Credit Fund. The report shall be as of the close of business on June 30 and December 31 of each year and shall be submitted not later than ninety days thereafter.

"SEC. 905. ADMINISTRATION OF FUND.—(a) The President shall establish a committee to advise him on the exercise of the functions conferred upon him by this part. The committee shall include the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, the President of the Export-Import Bank, and the Administrator of the Mutual Development and Cooperation Agency.

"(b) The authorities available to administer part I of this Act or any portion thereof, shall be available to administer this part.

"SEC. 906. PROVISION FOR LOSSES.—Ten percentum of the amount authorized to be borrowed under subsection 902(a) shall be reserved and may be used to cover any losses incurred on loans extended under this part. Receipts specified in section 203 of this Act may also be paid into the Fund for the purpose of compensating the Fund for any such losses.

"SEC. 907. EXPORT-IMPORT BANK POWERS.—

Nothing in this part shall be construed as a limitation on the powers of the Export-Import Bank of the United States.

"SEC. 908. PROHIBITION ON LOANS FOR DEFENSE ARTICLES OR SERVICES.—The authority contained in this part shall not be used to extend credit in connection with the sale of defense articles or defense services. This provision may not be waived pursuant to section 614 of this Act or pursuant to any other provision of this or any other Act.

"SEC. 909. DEFINITIONS.—As used in this part, 'lowest-income countries' are those countries which need concessional foreign exchange financing from the United States or other international donors to finance goods and services on terms they can reasonably afford, with particular emphasis on countries in which per capita national product is less than \$375 a year."

(b)(1) Section 624(d)(5) of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to audits by the Inspector General, Foreign Assistance, is amended by inserting "The United States Export Development Credit Fund under part VI of this Act," immediately before "and part IV of the Foreign Assistance Act of 1969".

(2) Section 638 of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to assistance under other legislation, is amended by inserting "; or under part VI of this Act" immediately before the period at the end thereof.

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 25 be considered as read, printed in the Record, and open to amendment at any point. This is the section the gentleman from Louisiana (Mr. PASSMAN) is waiting on. I am sure he has an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### AMENDMENT OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Chairman, I offer an amendment.

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 Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. PASSMAN: Strike out everything after line 13, page 41, through line 7, page 47.

Mr. PASSMAN. Mr. Chairman and Members of the Committee, as I mentioned earlier, this item was not requested in the budget; it was not submitted to the Committee on Appropriations; and we have not had hearings on it.

I doubt if 50 Members of Congress knew that this booby trap was going to be in this bill. I say that respectfully because I have my good friends on the committee.

Now, I mentioned earlier that if the Members would read the language on page 41 and continue through pages 42 and 43, they would find that this calls for an additional \$5 billion above and beyond the other 28 spigots we have for foreign aid. It means that this bill is not just authorizing \$2,833,000,000 for for-

sign aid. It means that unless my amendment is adopted, it will authorize \$4 billion in fiscal year 1974, because this proposition calls for borrowing authority of \$1,250 million annually for the next 4 years. Now, Mr. Chairman, we have 15 of these agencies already making loans.

Mr. Chairman, as I mentioned earlier, we have 28 different spigots in these foreign aid and assistance programs. We are only considering one part of the total, which is for \$2,833 million, but the aggregate request of the 28 spigots is \$18,003,191,000.

Now, if my amendment is defeated, we will have to add to that another \$1,250 million.

What are we getting into, Mr. Chairman, with these different types of organizations? Let us take the three multilateral organizations, the Inter-American Development Bank, the Asian Development Bank, and the International Development Association. These three agencies alone are asking for \$1,929 million in fiscal year 1974.

These multilateral organizations are pyramiding these funds, they are not spending them. Now, with regard to the previous \$5.6 billion we have given to them, they have said the money now will not buy what it would buy at the time we gave it to them. So they say, "We want you to give us a maintenance of value increase of \$2,250,000,000 so the dollars will purchase the same amount of commodities as they would have when the dollars were provided."

This new proposal in the bill although there is no money mentioned will provide another loan fund which could run at a level of \$5 billion.

You are just placing another program upon the top of 15 others to make loans. They do not even know what agency will administer it, because according to the report the Export-Import Bank may administer it or the Department of Commerce may administer it or the AID agency may administer the program. Nobody knows what the money is going to go for.

I hope you can support the amendment, keeping in mind that there will still be available out of the pipeline from prior years' appropriations \$26 billion. If you add \$18 billion in fiscal year 1974 request to it, that gives you \$44 billion that will be available for the different spigots of foreign aid.

I have not misled you in the past and I shall not mislead you in the future.

I hope you will support this amendment.

Mr. LONG of Maryland, Mr. Chairman, I rise in support of the amendment. I support the amendment to strike the U.S. Export Development Credit Fund.

The underdeveloped countries are already up to their ears in debt—\$72 billion by 1972, that is, last year—with \$7 billion a year of annual interest and repayment. This would put another \$1.25 billion a year millstone around the necks of the underdeveloped countries. It is unlikely ever to be repaid.

Even the professors are beginning to learn this. To quote Enos and Griffin

of Oxford University: "It is unlikely that these loans will ever be repaid. Loans were made in the past, but repayments occupy the future. They would generate funds for repayment if they were productive, but since they were unproductive the debtors feel no obligation was created." Eight less developed countries who had been given these loans have had 17 multilateral debt reschedulings in recent years. In 1971-73 the debt relief for the lesser developed countries was \$2.97 billion. The interest rates and repayment terms on these loans are so soft that they are almost entirely a gift. The result is that the countries do not respect the money, and instead of putting it into important, worthwhile, and productive uses, they put it into all sorts of insignificant projects which do nothing for their development. The loans of the credit fund would release still more resources for poor countries to spend on arms. They would not spend the money on arms directly, but this would release money indirectly to spend on arms to be used in economic projects, and this would take its place.

At a time when most students of foreign aid recognize that foreign aid, the way it is being conducted, is defeating its own purpose, this provision is moving in exactly the wrong direction.

Finally, Mr. Chairman, this makes this bill a far greater foreign aid bill than anyone on this floor recognizes. This is supposed to be a \$2.8 billion foreign aid bill, but this provision would transform it into a \$4 billion a year foreign aid bill.

It would, I think, be transforming the whole idea of foreign aid at a time when everybody wants to reduce it. Finally, the interest rates, the repayment terms and the development terms are so vague that it would be a calamity if this part of the bill survived. I urge that the amendment offered by the gentleman from Louisiana (Mr. PASSMAN) be supported.

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

Mr. LONG of Maryland, I will be glad to yield to the gentleman from Florida.

Mr. SIKES, Mr. Chairman, it appears to me that when the distinguished gentleman from Louisiana (Mr. PASSMAN) and the distinguished gentleman from Maryland (Mr. Long) stand together four-square on an important amendment of this nature, it is time to say "amen" and vote for it.

Mr. LONG of Maryland, I thank the gentleman from Florida.

Mr. FINDLEY, Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Members of the House are aware, I am sure, that the bill before us is labeled the Mutual Development Bill, instead of being the Foreign Assistance Bill, as it has been called in prior years, and the prime reason for the new name on the bill is this section which the gentleman from Louisiana seeks to strike from the bill.

This is the part of the bill which would present the opportunity for the most direct benefits to the American people,

and I think it would be a very serious mistake to strike it from the bill.

This provision in the bill is a bipartisan recommendation. It comes with the co-sponsorship and support of a number of Republicans on the committee, as well as Democrats. It was just recently endorsed as one of the important, innovative provisions of the bill by Secretary of State Rogers. I call it the trade expansion part of the Mutual Development Bill because it would provide a means through which American business firms can hope for the first time effectively to compete with other major trading countries for trade in low-income countries. We have been effectively foreclosed from this business up until now because other countries offer attractive credit terms that our business firms cannot match. We can of course continue to be foreclosed, but it seems to me to be good business to be competitive. It has the further advantage of being through the private enterprise sector instead of being direct government to government aid. It is a form of subsidy, but all subsidy means expansion of American business. It means jobs for the American people. It means business for American business firms. I think that this innovative proposal which has been put into the Mutual Development Act deserves our support.

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

Mr. FINDLEY, I yield to the gentleman from California.

Mr. MAILLIARD, Mr. Chairman, I thank the gentleman for yielding. In case there be any question about this, I noticed that the gentleman from Louisiana made a big point of the fact that this was not in the budget that was proposed to the Congress. Well, here is a case where the Congress originated an idea which is now embraced by the executive branch of the Government, and they are fully in support of it, even though they did not think of it. I believe that is quite an accomplishment. So it does have administrative support.

I join in the remarks the gentleman from Illinois (Mr. FINDLEY) has made. This is innovative. This probably provides the greatest chance for real mutuality in this program to help our own people as well as the people abroad.

I think the Members of the Congress on both sides of the aisle who conceived this idea ought to be congratulated. I certainly am fully in support of the program, and I am opposed to the amendment.

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

Mr. FINDLEY First I want to assure the gentleman that it is my belief that the Committee on Appropriations has complete annual oversight on this program, and if it does not, I will certainly support language effectively to bring the program under the annual oversight of the gentleman from Louisiana, and his committee.

Mr. PASSMAN, Will the gentleman yield?

Mr. FINDLEY, Yes, of course I yield to the gentleman from Louisiana.



Mr. PASSMAN. Mr. Chairman, I want to set the record straight. When you include all of the spigots of the foreign aid program, and there are 28 of them, the requests for fiscal year 1974 amount to \$18 billion. This is just another program which would be added to the other 28, and it calls for \$5 billion.

The gentleman does not know what agency will administer it. This is one of those sneakers unintentionally included in the bill. Of course, the Congressmen knew nothing about it until yesterday morning. The executive branch did not request it. This is something put in by the Committee on Foreign Affairs; is that correct?

Mr. FINDLEY. It is my belief there is no sneaker in this at all.

Mr. PASSMAN. What are the terms of the loans?

Mr. FINDLEY. If the gentleman would like to be informed about the extent to which Congress seems to be going in extending concessional sales terms to some countries, he might take a look at the UPI report on what the farm conferees today approved. They approved extending long term credit at 2 percent and 3 percent to all countries including Communist China and Cuba—excluding only North Vietnam.

Mr. PASSMAN. If the gentleman will yield further, what are the terms of their loans?

The CHAIRMAN. The time of the gentleman has expired.

PERFECTING AMENDMENT OFFERED BY  
MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting Amendment offered by Mr. FASCELL: On page 42, strike out lines 13 through 18 and insert in lieu thereof the following:

"(c) The totals of the budget of the United States Government shall include the funds appropriated to the Fund and the net effect of the receipts and the disbursements of the Fund."

Mr. FASCELL. Mr. Chairman, this perfecting amendment carries out an understanding arrived at by both sides of this committee with the Office of Management and Budget to clear up the question of whether the funding under this proposal would be within the budget, and eliminating the question. We agreed to this language which has been supplied to the committee by the Office of Management and Budget, agreed to on both sides. Therefore, to eliminate that question of whether the receipts and disbursements and net effect would be in the budget, I offer this amendment.

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

Mr. FASCELL. I am going to get some time later to talk, I will say to the gentleman, but I should like to dispose of this perfecting amendment first.

Mr. PASSMAN. The gentleman has the time if he wants to yield.

Mr. FASCELL. The gentleman has had ample time.

Mr. PASSMAN. I know the gentleman is embarrassed, but I will not press the point.

Mr. FASCELL. I am not embarrassed at all, and I am still standing.

Mr. PASSMAN. Why does the gentleman not yield?

Mr. FASCELL. I yield.

Mr. PASSMAN. If I understand correctly, this calls for borrowing authority of \$5 billion in the next 4 years at the rate of \$1,250 million a year.

Mr. FASCELL. Only if the administration agrees, and the Congress, in appropriation agrees to it likewise.

Mr. PASSMAN. But this amendment calls for \$5 billion in borrowing authority does it not, within the next 4 years?

Mr. FASCELL. It authorizes authority up until 1977 for the President to borrow, subject to the appropriation process and the right of the Congress—

Mr. PASSMAN. Up to \$5 billion?

Mr. FASCELL. Up to \$5 billion.

Mr. PASSMAN. I thank the gentleman very kindly.

Mr. FASCELL. Obviously, the insinuation the gentleman makes is totally erroneous. It is within the budget, subject to the administration—

Mr. PASSMAN. It is not in the budget. I say that categorically and factually.

Mr. FASCELL. The gentleman from Louisiana is always, as usual, putting apples and oranges together. It is not in the budget now which was sent down. It was never included. The proposal was originated in the committee and agreed to by the administration. The question is whether it was included in the budget which was sent down by this administration. Obviously, it could not have been included. Whether the administration wants to submit a supplemental is entirely up to it. Whether it will be in the next budget is entirely up to them, and the Committee on Appropriations and the Congress. This is the authorizing bill.

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

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

Mr. LONG of Maryland. Of course, all of the funds in all of this bill are subject to appropriation.

Mr. FASCELL. I thank the gentleman. I am glad we got that straight.

Mr. LONG of Maryland. Would the gentleman deny that this feature in here makes this bill not a \$2.8 billion foreign aid bill but a \$4 billion foreign aid bill?

Mr. FASCELL. It makes it whatever bill the budget and the appropriation process make it. As far as the authorization is concerned, the answer is that if the full amount is appropriated up to the amount authorized, it will be that much over and above the actual figures that are in the bill, obviously.

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

Mr. FASCELL. I yield to the distinguished chairman, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. I thank the gentleman.

Mr. Chairman, I think there is some confusion. Of course, this is not contained in the budget which was presented to Congress and no one has claimed that this is part of the President's budget.

The reason the perfecting amendment is offered is that the bill as reported

would have exempted the receipts and disbursements of the fund from the budget once the program became operative and for the next 4 years. So the perfecting amendment is a good amendment and keeps this in the budget totals which otherwise would not have been done.

Mr. FASCELL. The chairman is absolutely right. That is the reason we offered the perfecting amendment.

Mr. FRASER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, despite the fact that there is very little controversy over the perfecting amendment, I think that it is important that the committee understand what is involved in this proposal.

What is proposed in this part of the bill is a way to help American exporters get access into a part of the world market which we have been losing. The bottom half of the third world has been a shrinking market to the U.S. exporters in comparison to the exports from Western Europe and Japan. In other words, what is happening is that the United States is losing world trade markets to other countries. Why? Because we lack a way of providing credit to the American exporter to sell to these countries which will be competitive with the credit offered by other exporting countries. That is the basic issue in this section.

Do we want to enable the manufacturers of tractors or machinery, or the suppliers of fertilizer or other goods and services to have access to that market in that part of the world? This can be described as a sort of soft-loan window of Ex-Im Bank. The Ex-Im Bank provides hard-credit terms for the benefit of American exporters.

If we, in effect, put a self-loan credit device at the disposal of American businessmen and American suppliers of goods and services, then we can begin to compete with other countries in reaching a very important part of the world market. That is what this measure is about, and the people who have gotten up here and argued against this do not seem to even understand the purpose of this part of the bill.

I heard one gentleman get up and argue that American exporters should not sell to a poor country, because they could not afford to buy it. The only conclusion I can reach from that, is that his idea is to stop all trade with a poor country, because it cannot afford it. That is an astonishing conclusion from a distinguished economist.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield to a distinguished economist?

Mr. FRASER. I shall yield in a moment.

The point is, we are trying to help American businessmen in a one to one relationship with prospective buyers so that the American businessmen can develop a market in their goods and services to countries having less than a \$375 per capita income. We provide the credit to help them make their sale.

It comes within the budget; it is subject to annual authorization by the Appropriations Committee; the control of the Congress is complete, on an annual

basis. If we throw this out, we are throwing out 80,000 jobs, an important market for the American exporter, and set this country back in its efforts to build a better trade balance.

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

Mr. FRASER. I yield to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I would like to commend the gentleman from Minnesota. I think he has precisely put his finger on this, except that I would like to clarify one point.

This will not necessarily be part of the Eximbank, but it will be like a soft loan window. His eloquence, plus the eloquence of the distinguished economist from Maryland in making clear that this will go to the Appropriations Committee year by year, plus the perfecting amendment offered by the gentleman from Florida which makes it clear that this is within the budget, makes me feel that we should keep this provision and defeat the Passman amendment.

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

Mr. Chairman, the astonishing thing about this is that no one mentions where the money is to come from to provide for this addition to be made to the river of easy credit that is already flowing all over the world.

I wonder if the gentleman from Minnesota (Mr. FRASER), who is astonished that people do not understand this proposal, could tell the House where it is proposed to get the billions of dollars to start this new foreign aid program?

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

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

Mr. FRASER. It is going to work precisely the way the Export-Import Bank works. They borrow money in the private market, and then the subsidy required for concessional terms is picked up through the repayment of old loans currently coming in, between \$200 million and \$300 million a year.

Mr. GROSS. Is that not money which is supposed to go back to the U.S. Treasury?

Mr. FRASER. That is right.

Mr. GROSS. The returns from the present so-called loans?

Mr. FRASER. That is right.

Mr. GROSS. But the gentleman is not going to let it go back to and remain in the Treasury?

Mr. FRASER. That is wrong. It requires an annual appropriation by the Appropriations Committee.

Mr. GROSS. Which way is it? Are you going to take the returns plus the so-called loans back, or are you going to appropriate directly from the Treasury?

Mr. FRASER. The money will come back to the Treasury and be reappropriated. It will go back to the Appropriations Committee.

Mr. GROSS. That is a kind of sleight-of-hand operation?

Mr. FRASER. I believe it very open.

Mr. GROSS. It comes back and then goes out again?

Mr. FRASER. If the Appropriations Committee agrees.

Mr. GROSS. And we are already in trouble. We are subsidizing interest payments on loans already made to a number of foreign countries, because they cannot pay the interest without causing financial trouble. Now it is proposed we add to that.

Mr. FRASER. I believe the gentleman should be aware that we are getting in \$200 million or \$300 million on loan repayments. This idea that these countries are not able to pay back their debts is not justified. Some have had to roll them over.

Mr. GROSS. The gentleman might take a look at this report from the General Accounting Office of May 11, 1973, and then I believe he would change his mind about the fact that we are not paying a subsidy to these countries, because they cannot make the interest payments on their loans without disturbing their economies.

Mr. FRASER. We are getting a very healthy flow of return money.

Mr. GROSS. I do not believe that is what the GAO says.

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

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

Mr. LONG of Maryland. The gentleman from Minnesota seems mystified as to why an economist would want to oppose this.

Let me point out that one can always get business if one wants to give his goods away.

This is not like the Export-Import Bank. These loans are at tiny interest rates, 2 or 3 percent, with terms of grace of 10 years and 30 years for repayment.

I might point out that a very small trickle will come back, very small, if it is paid at all. But we have no real guarantee that this money will ever come back.

I might also point out that we can do the same business here. If we are so anxious to get sales, we can sell these goods to the American consumer, give him the same credit terms, and we will create the same amount of employment and really accomplish something.

Somehow there is the idea that the gentleman from Minnesota seems to hold that we can do more business, sell more goods, and create more employment by giving our money and goods away to some foreign country than we can by helping our own poor people. I do not understand that kind of economics.

Mr. GROSS. I thank the gentleman for his contribution, and I urge the adoption of the amendment by the gentleman from Louisiana (Mr. PASSMAN). Let us stop here and now the attempt to launch still another foreign handout program at an initial cost of \$5 billion.

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

Mr. Chairman, I think it is probably time that we clear up some of the terminology that has been bandied about here.

The gentleman from Minnesota talks about the "soft loan window." Now, the soft loan window, translated into English, means that you do not pay it back.

I used to play a little poker when I was in the university with a boy that

did not have much money, and he began playing on credit, and he owed everybody in the house and nobody would play with him any more.

He wanted to get up a game one night, and I said, "Do you have any money?"

He said, "No. Let us play for cash credit tonight."

I said, "What is cash credit?"

He said, "Well, cash credit is what I pay when I get the cash."

Previously he had credit, and he did not pay whether he got the cash or at any other time.

That is what a soft loan is. It is credit credit that the borrower knows he is not going to pay back and the lender knows he is not going to pay back. That is what it amounts to.

Mr. Chairman, this is \$5 billion worth of it.

Let me tell the Members what has happened. I have got some bad news for them. I was just handed a sheet of paper by the manager of the restaurant. In 1 week bacon has gone from \$1.02 to \$1.32 where we have to buy it downstairs. Liverwurst has gone from 79 cents to 84 cents, and bologna—which this bill is full of—has gone from 79 to 94 cents.

Why? Because we are giving so much money away and giving so many soft loans and so many credit credits.

Some of you ought to take a trip abroad. You will find that any good restaurant on the continent of Europe is featuring fresh American steaks flown in daily, because they can buy them with deflated dollars. A German housewife can buy with two marks what it took her four marks to buy a year and a half ago.

Mr. McNamara and Mr. Volcker over in the Treasury Department said:

Why, this deflation, this devaluation of the dollar is going to be great. We are going to sell more goods abroad.

Sure, we are going to sell more goods abroad. The dollar is going to go down at home and the American people are going to pay more than they have been paying now.

If you think we can give away another \$5 billion in soft loans, forget it, because it is going to come right home to roost and it will come out of the pockets of the American taxpayers.

Mr. Chairman, I am not going to speak any more on this bill, and I know that will make the Members feel good. I want to tell the Members why I am going to vote against it, and I think the Members had better be thinking it over, because an election is going to be coming up one of these days.

If you can go home and explain to your people why there is no money for hospitals—and the President has said there is not—and why there is no money for housing for the elderly—and the President says there is not—and why there is no money to build the highways the people need—and the President says there is not—but we have got \$3 billion, plus \$5 billion in this bill over the next 5 years to give away to foreign countries, if you can explain that to your constituents and at the same time explain why bacon has gone from \$1.02 to \$1.32 in 1 week, good luck. I do not think I can do it with my constituents.



The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Florida (Mr. FASCELL). The perfecting amendment was agreed to.

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment to strike.

Mr. Chairman, a vote for this amendment will knock out the one provision in this bill that will do more for American industry and business than perhaps any other section of the bill. A vote for this amendment to strike this out will make it more difficult, if not impossible, for U.S. business to compete in world markets.

This is not a subsidy to another government; it is not a subsidy to the buyer. The only thing that is being subsidized here which is subject to the appropriation process is the differential in the interest rate of what it takes the U.S. Government to borrow the money and what it will be lent at as export credits.

Let me read you one statement which comes out of Business International with respect to this particular proposal:

The new export credit proposal would clearly put US exporters in a competitive position in the poorest markets. For example, France's Caisse Centrale de Cooperation Economique (CCCE) lends to host-country development banks at 3.5-6% interest per annum and 10-20 year maturities. Another French institution, the Fonds d'Aide et de Cooperation, offers development loans for up to 20 years at an interest rate of between 1-4%, with a grace period of up to nine years. In the UK, the Commonwealth Development Corp. (CDC) has been able to supply long-term loans for development purposes that are interest free for up to seven years. Japan's Overseas Cooperation Fund grants credits at interest rates ranging down to 3.5% per annum over a five to 15 years period.

EDCF, with its easy terms, has been well received by US companies. "We've been waiting for something like this for a long time. Too often companies have lost projects, even when their bids were lowest, due to an inability to provide financing on realistic terms to these poorest countries," one electronics executive commented. "This kind of concessionary financing with easy terms and high risk coverage is just what is needed to compete with our counterparts in countries where development assistance is integrated with credit financing on easy terms," another executive maintained.

What we are doing is, instead of going with the old development loan program, we are tapping the private market and with the funds thus borrowed we can subsidize our exporters.

With our deficit in the balance of trade, we need to help the sale of U.S. products. Industries which would be assisted are electrical equipment, heavy machinery, farm equipment, chemical equipment, tools, and pharmaceuticals.

We are going from the old development loan programs, from the big projects and trying to help our own exporters.

A vote to strike this section is a vote to cut the heart out of the effort to help U.S. businessmen be competitive abroad.

Mr. MORGAN. Will the gentleman yield?

Mr. FASCELL. I yield to the gentleman.

Mr. MORGAN. I want to clear up something the gentleman from Ohio said. There are not any real soft loans here.

There are only low-interest loans, but they are in hard dollars at low interest.

#### PARLIAMENTARY INQUIRY

Mr. PASSMAN. Mr. Chairman, I do not wish to belabor this discussion any longer. What will the vote be on? Will it be on my own amendment?

The CHAIRMAN. The gentleman's amendment is the pending amendment.

The question is on the amendment offered by the gentleman from Louisiana (Mr. PASSMAN).

#### RECORDED VOTE

Mr. PASSMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 137, not voting 56, as follows:

[Roll No. 396]

#### AYES—240

Addabbo	Ellberg	Martin, N.C.
Andrews, N.C.	Eshleman	Mathis, Ga.
Annunzio	Evins, Tenn.	Mazzoli
Archer	Flood	Melcher
Armstrong	Flynt	Michel
Ashbrook	Frey	Miller
Bafalis	Froehlich	Minish
Baker	Gaydos	Mitchell, N.Y.
Barrett	Giaino	Mizell
Beard	Gilman	Mollohan
Bennett	Ginn	Montgomery
Bevill	Goldwater	Moorhead, Calif.
Biaggi	Goodling	Myers
Blackburn	Grasso	Natcher
Boggs	Green, Ore.	Nichols
Boland	Gross	O'Brien
Brasco	Grover	Owens
Bray	Guyer	Passman
Breaux	Haley	Perkins
Brinkley	Hammer	Peyser
Brooks	schmidt	Pickle
Broomfield	Hanley	Pike
Brown, Mich.	Hanrahan	Poage
Broyhill, N.C.	Hansen, Wash.	Powell, Ohio
Broyhill, Va.	Harsha	Price, Tex.
Burgener	Harvey	Quillen
Burke, Calif.	Hays	Randall
Burke, Fla.	Hébert	Rarick
Burke, Mass.	Hechler, W. Va.	Rhodes
Burleson, Tex.	Henderson	Rinaldo
Burlison, Mo.	Hillis	Roberts
Butler	Hinshaw	Robinson, Va.
Byron	Hogan	Rogers
Carney, Ohio	Hollifield	Roncalio, Wyo.
Carter	Holt	Roncalio, N.Y.
Cederberg	Hosmer	Rose
Chamberlain	Huber	Roush
Chappell	Hudnut	Rousselot
Chisholm	Hungate	Roy
Clancy	Hunt	Runnels
Clark	Hutchinson	Ruth
Clausen,	Ichord	Ryan
Don H.	Jarman	St Germain
Clawson, Del.	Johnson, Calif.	Sandman
Cleveland	Johnson, Colo.	Sarasin
Cochran	Jones, Ala.	Satterfield
Cohen	Jones, N.C.	Saylor
Collier	Jones, Okla.	Scherle
Collins, Ill.	Jones, Tenn.	Sebelius
Collins, Tex.	Jordan	Shipley
Conlan	Karth	Shoup
Conte	Keating	Shuster
Cotter	Kemp	Sikes
Crane	Ketchum	Skubitz
Daniel, Dan	Kuykendall	Slack
Daniel, Robert	Kyros	Snyder
W., Jr.	Latta	Spence
Daniels,	Leggett	Stanton,
Dominick V.	Litton	James V.
Danielson	Long, La.	Steed
Davis, S.C.	Long, Md.	Steelman
Davis, Wis.	Lujan	Stelger, Ariz.
de la Garza	McCullister	Stokes
Delaney	McCormack	Stubblefield
Denholm	McDade	Stuckey
Dennis	McEwen	Sullivan
Dent	McKay	Talcott
Derwinski	McSpadden	Taylor, Mo.
Devine	Macdonald	Taylor, N.C.
Donohue	Mahon	Thomson, Wis.
Dorn	Mallory	Thornton
Downing	Mann	Tiernan
Dulski	Maraziti	
Duncan	Martin, Nebr.	

Towell, Nev.  
Treen  
Vander Jagt  
Vanik  
Veysey  
Waggonner  
Walsh  
Wampler  
White

Whitehurst  
Whitten  
Wilson,  
Charles H.,  
Calif.  
Wilson,  
Charles, Tex.  
Wright  
Wyatt

Wylie  
Wyman  
Yates  
Young, Alaska  
Young, Fla.  
Young, S.C.  
Young, Tex.  
Zion  
Zwach

#### NOES—137

Abzug	Fulton	Patten
Adams	Gonzalez	Podell
Alexander	Green, Pa.	Preyer
Anderson,	Gubser	Price, Ill.
Calif.	Gude	Pritchard
Ashley	Hamilton	Quile
Aspin	Hansen, Idaho	Rallsback
Badillo	Harrington	Rangel
Bergland	Hastings	Rees
Blester	Heckler, Mass.	Reid
Bingham	Heinz	Reuss
Biatnik	Helstoski	Robison, N.Y.
Bolling	Hicks	Rodino
Brademas	Holtzman	Rooney, Pa.
Breckinridge	Howard	Rosenthal
Brown, Calif.	Johnson, Pa.	Rostenkowski
Brown, Ohio	Kastenmeier	Ruppe
Buchanan	Kazen	Sarbanes
Burton	Koch	Schneebell
Carey, N.Y.	Lehman	Seiberling
Casey, Tex.	Lent	Sisk
Clay	McClory	Smith, Iowa
Conable	McCloskey	Smith, N.Y.
Corman	McFall	Staggers
Coughlin	McKinney	Stanton,
Cronin	Madden	J. William
Culver	Mailliard	Steele
Davis, Ga.	Mathias, Calif.	Steiger, Wis.
Dellenback	Matsunaga	Stratton
Dellums	Mayne	Studds
Dingell	Meeds	Symington
Drinan	Mezvisinsky	Teague, Calif.
du Pont	Mink	Teague, Tex.
Eckhardt	Mitchell, Md.	Thone
Edwards, Ala.	Moakley	Udall
Edwards, Calif.	Moorhead, Pa.	Van Deerlin
Esch	Morgan	Vigorito
Evans, Colo.	Mosher	Ware
Fascell	Moss	Whalen
Findley	Murphy, Ill.	Wilson, Bob
Foley	Murphy, N.Y.	Wolff
Ford,	Nedzi	Wyder
William D.	Nelsen	Yatron
Forsythe	Nix	Young, Ga.
Fraser	Obey	Young, Ill.
Frelinghuysen	O'Hara	Zablocki
Frenzel	O'Neill	

#### NOT VOTING—56

Abdnor	Gettys	Pepper
Anderson, Ill.	Gibbons	Pettis
Andrews,	Gray	Regula
N. Dak.	Griffiths	Riegle
Arends	Gunter	Roe
Bell	Hanna	Rooney, N.Y.
Bowen	Hawkins	Roybal
Brotzman	Horton	Schroeder
Camp	King	Shriver
Conyers	Kluczynski	Stark
Dickinson	Landgrebe	Stephens
Diggs	Landrum	Symms
Erlenborn	Lott	Thompson, N.J.
Fish	Madigan	Ullman
Fisher	Metcalfe	Waldie
Flowers	Milford	Widnall
Ford, Gerald R.	Mills, Ark.	Wiggins
Fountain	Minshall, Ohio	Williams
Fuqua	Patman	Winn

So the amendment was agreed to.

The result of the vote was announced as above recorded.

#### PERSONAL ANNOUNCEMENT

Mr. FOUNTAIN. Mr. Chairman, on the vote just taken, I voted "aye," but the light did not light up by my name.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

#### MEANING OF REFERENCES

SEC. 26. All references to the Foreign Assistance Act of 1961 and to the Agency for International Development shall be deemed to be references also to the Mutual Development and Cooperation Act and to the Mutual Development and Cooperation Agency, respectively. All references in the Mutual Development and Cooperation Act to "the agency primarily responsible for administering

ing part I" shall be deemed references also to the Agency for International Development. All references to the Mutual Development and Cooperation Act and to the Mutual Development and Cooperation Agency shall, where appropriate, be deemed references also to the Foreign Assistance Act of 1961 and to the Agency for International Development, respectively.

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

I should like to ask the distinguished chairman of the committee a question concerning the construction of the bill. I have been disturbed by reports, which I hope are not true, that previous foreign aid bills have authorized funds that have been used to train foreign police forces in techniques of torture, and in some military units in antidemocratic activities. I should like to be certain we will not be associated with such methods.

I should like to ask the distinguished chairman of the committee if there is any provision in this bill which would in any way authorize the training of foreign police in torture tactics, or foreign military officers or personnel in antidemocratic activities?

Mr. MORGAN. I will assure the gentleman from New York that, so far as I know—and I am certain of this—there are no funds in this bill for any foreign officers to be trained in torture techniques in this country or in the recipient countries where the technical assistance funds are spent.

Miss HOLTZMAN. I thank the gentleman.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

#### FOREIGN MILITARY SALES

SEC. 27. The Foreign Military Sales Act is amended as follows:

(a) (1) In section 3 of chapter 1, relating to eligibility, strike out subsection (b).

(2) Add the following new subsection at the end of such section 3:

"(b) No sophisticated weapons, including sophisticated jet aircraft or spare parts and associated ground equipment for such aircraft, shall be furnished under this or any other Act to any foreign country on or after the date that the President determines that such country has violated any agreement it has made in accordance with paragraph (2) of subsection (a) of this section or section 505(a) of the Mutual Development and Cooperation Act or any other provision of law requiring similar agreements. The prohibition contained in the preceding sentence shall not apply on or after the date that the President determines that such violation has been corrected and such agreement complied with. Such country shall remain ineligible in accordance with this subsection until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not reoccur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned."

(b) In section 23 of chapter 2, relating to credit sales, strike out "ten" and insert in lieu thereof "twenty".

(c) In section 24(a) of chapter 2, relating to guaranties, strike out "doing business in the United States".

(d) In section 24(c) of chapter 2, relating to guaranties:

(1) strike out "pursuant to section 31"

and insert in lieu thereof "to carry out this Act"; and

(2) insert "principal amount of" immediately before the words "contractual liability" wherever they appear.

(e) In section 31(a) of chapter 3, relating to authorization, strike out "\$400,000,000 for the fiscal year 1972" and insert in lieu thereof "\$450,000,000 for the fiscal year 1974".

(f) In section 31(b) of chapter 3, relating to authorization, strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)) and of the face amount of guaranties issued pursuant to sections 24 (a) and (b) shall not exceed \$550,000,000 for the fiscal year 1972, of which amount not less than \$300,000,000 shall be available to Israel only" and insert in lieu thereof "and of the principal amount of loans guaranteed pursuant to section 24(a) shall not exceed \$760,000,000 for the fiscal year 1974, of which amount not less than \$300,000,000 shall be available to Israel only".

(g) In section 33(a) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "of cash sales pursuant to sections 21 and 22";

(2) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24 (a) and (b)" and insert in lieu thereof "of the principal amount of loans guaranteed pursuant to section 24(a)"; and

(3) strike out "\$100,000,000" and insert in lieu thereof "\$150,000,000".

(h) In section 33(b) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "of cash sales pursuant to sections 21 and 22";

(2) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24 (a) and (b)" and insert in lieu thereof "of the principal amount of loans guaranteed pursuant to section 24(a)".

(i) In section 33(c) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "expenditures" and insert in lieu thereof "amounts of assistance, credits, guaranties, and ship loans";

(2) strike out "of cash sales pursuant to sections 21 and 22"; and

(3) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24 (a) and (b)" and insert in lieu thereof "of the principal amount of loans guaranteed pursuant to section 24(a)".

(j) In section 36 of chapter 3, relating to reports on commercial and governmental military exports, strike out subsection (a) and redesignate subsections (b) and (c) as subsections (a) and (b), respectively.

(k) In section 37(b) of chapter 3, relating to fiscal provisions, insert after "indebtedness" the following: "under section 24(b) (excluding such portion of the sales proceeds as may be required at the time of disposition to be obligated as a reserve for payment of claims under guaranties issued pursuant to section 24(b), which sums are hereby made available for such obligations)".

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that section 27 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. BUCHANAN

Mr. BUCHANAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: Page 49, line 14, strike out "\$450,000,000" and insert in lieu thereof "\$525,000,000".

Mr. BUCHANAN. Mr. Chairman, I do not want to take too much time of the House, because I know the Members are tired.

Although I did not agree with the action, some Members believe they have just knocked \$5 billion out of this bill. What I want to ask them to do is to put \$75 million back into it, which the administration did request for foreign military credit sales.

This is not giveaway money. It is money we lend to be paid back at the interest rate the Treasury has to pay for it. It helps our people sell to these countries what they feel they need for their defense. It provides jobs for Americans. It helps our balance of payments.

It also means that instead of having some nation which shows no restraint meeting these needs, our Nation, which does sell with responsibility and restraint, will meet them, so that the countries involved will rely on us rather than on someone else.

Mr. Chairman, I feel that this is an amendment which helps Americans. It is an amendment that is in our national defense interest. It also can be vital to some of our friends. This \$75 million will provide \$120 million of credit, and this can help such nations as Israel and some other nations which are important to us. I urge its adoption.

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

Mr. BUCHANAN. Yes, I will gladly yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I wish to support the amendment of the gentleman. I think this is a sound amendment.

We have been calling on our friends and allies to do more for themselves, and this program provides them the equipment to use to protect themselves.

Mr. Chairman, here are some of the countries involved: Israel, Korea, Turkey, and the Republic of China on Taiwan.

We are saying to all these countries, "We are not going to send in our troops. We are not going to come in and help you. You will just have to do more for yourselves."

This is a credit program.

I was in Israel 3 years ago, and they were crying then for credit sales of military equipment and we provided it to them. Here is the money to back up those sales for the coming year.

Mr. Chairman, I believe this is a good amendment.

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

Mr. BUCHANAN. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I rise in support of the gentleman's amendment, and I wish to associate myself with the remarks of my colleague, the gentleman from New York.

I suggest that this is an extension of the doctrine enunciated by our President that we are going to help people to defend themselves, and I urge my colleagues to support the gentleman's amendment.



Mr. DU PONT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Delaware.

Mr. DU PONT. Mr. Chairman, am I correct that the gentleman's amendment would authorize money in addition to the \$300 or \$400 million available to Israel for various programs?

Mr. BUCHANAN. The gentleman is not correct.

This makes the full amount that the administration authorized for this purpose available on a worldwide basis. It simply helps to protect the amount designated for Israel in the bill. The committee in the other body has passed a bill for only \$200 million for the entire credit program.

Mr. DU PONT. But Israel would be eligible for the additional funds under the gentleman's amendment?

Mr. BUCHANAN. Yes, it would, and it would help make certain what they need is provided.

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

Mr. BUCHANAN. If I have time, I will yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, is it not true that the amount earmarked for Israel for credit sales of \$300 million is still in the bill as recommended by the committee, and that the gentleman's amendment is not necessary to protect that amount?

Mr. BUCHANAN. No, that is not correct. The gentleman is correct in his first statement, but the other body has such a small amount of credit sales in its bill that I do not know what might happen to the total amount on compromise.

Although we do provide the \$300 million for Israel, I do not know how much private credit can be generated without this Government credit and, therefore, I believe such nations as Israel will stand on much firmer ground when we get out of conference if such an amendment is adopted.

We have set aside at least \$300 million for Israel of the \$760 million total our bill provides for credit sales and guarantees, and the \$450 million credit sales authority included therein. I do not know whether there will be \$300 million in it after the conferees get through with it.

Mr. BINGHAM. Mr. Chairman, I think the point the gentleman made is debatable, and I would like to make a point on which I think he will surely agree: That the amount that is in this bill for this purpose, which includes the amount for Israel, makes this entire bill a very essential item, among other reasons, for passage.

Mr. BUCHANAN. I could not agree more.

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

Mr. BUCHANAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, how much does the gentleman propose to increase this?

Mr. BUCHANAN. \$75 million, the amount requested by the administration.

Mr. GROSS. Where does the gentleman plan to get the money?

Mr. BUCHANAN. I plan to go to the

distinguished chairman of the Committee on Appropriations, and I hope that he can provide it.

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

I am glad that I am able to stand shoulder to shoulder at least once today with the gentleman from Iowa.

This amendment is not necessary. The Department of Defense is authorized under this bill to make credit sales of \$760 million in the fiscal year 1974.

The committee, of course, reduced the amount of new obligational authority from \$525 million to \$450 million, but this cut is not going, in any way, to harm the program.

There is, for example, \$20 million programmed in fiscal year 1974 for Saudi Arabia.

But Saudi Arabia says it will not buy \$20 million worth of military assistance from us next year. So there is plenty of flexibility in this program with \$450 million for military sales to run this program through fiscal year 1974.

I am for those programs in the Middle East. I am not against Saudi Arabia buying for cash or credit, because their credit is good, as is the credit of many other countries of the Middle East. But I do not think some nations are ready to buy now. I believe \$450 million of new obligational authority is sufficient.

Mr. MAILLIARD. Mr. Chairman, I move to strike the last word.

I will take only 1 minute to say that I would normally be in total support of what the chairman said. I think the figure in the committee bill is a good figure, but I would like to reiterate what the gentleman from Alabama said when he offered this amendment.

We will go into conference with a Senate bill that is so low that even though in our bill we guaranteed at least \$300 million of this is supposed to be available for Israel, still the Senate bill has only \$300 million in it total worldwide. So, in order to protect the House position, this amendment ought to be supported.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. BUCHANAN).

The question was taken; and on a division (demanded by Mr. BUCHANAN) there were—ayes 50, noes 107.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BINGHAM: Page 51, strike out line 14 and all that follows down through line 17, and insert in lieu thereof the following:

(1) In section 36 of chapter 3, relating to reports on commercial and governmental military exports, amend subsection (a) to read as follows:

"(a) (1) Prior to making any sale, credit sale, or guaranty to any country under this Act exceeding \$25,000,000, and prior to making any sale, credit sale, or guaranty to any country under this Act in any fiscal year, the amount of which, when added to all other such sales, credit sales, and guaranties made during such year to that country will exceed estimates of the aggregate of such sales provided pursuant to subsection (b) for that fiscal year, the President shall transmit at the earliest possible time a written

report to the Senate and the House of Representatives on the same day giving a complete explanation with respect to such proposed sale, credit sale, or guaranty. Any such report shall not include an explanation relating to more than one proposed sale, credit sale, or guaranty.

"(2) (A) The President may make such sale, credit sale, or guaranty thirty days after the report has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the report is transmitted, either House adopts a resolution disapproving the sale, credit sale, or guaranty with respect to which the report is made.

"(B) For purposes of subparagraph (A) of this paragraph—

"(i) the continuity of a session is broken only by an adjournment of the Congress sine die; and

"(ii) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

"(3) Paragraphs (4) through (11) of this subsection are enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(4) For purposes of paragraphs (2) through (11) of this subsection, 'resolution' means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: 'That the— does not approve the (sale, credit sale, guaranty) for — and explained in the report transmitted to Congress by the President on —, 19—', the appropriate phrase within the parentheses being selected, the first blank space therein being filled with the name of the resolving House, the second blank space therein being filled with the name of the foreign country on whose behalf the sale, credit sale, or guaranty is made, and the other blank spaces therein being appropriately filled with the date of the transmittal of the report; but does not include a resolution specifying more than one sale, credit sale, or guaranty.

"(5) If the committee, to which has been referred a resolution disapproving a sale, credit sale, or guaranty, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same sale, credit sale, or guaranty which has been referred to the committee.

"(6) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same sale, credit sale, or guaranty), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(7) If the motion to discharge is agreed to, or disagreed to, the motion may not be

renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same sale, credit sale, or guaranty.

"(8) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a sale, credit sale, or guaranty, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(9) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(10) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a sale, credit sale, or guaranty and motions to proceed to the consideration of other business, are decided without debate.

"(11) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a sale, credit sale, or guaranty are decided without debate."

Mr. BINGHAM (during the reading). Mr. Chairman, I ask unanimous consent that the reading of the amendment be dispensed with, and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BINGHAM. Mr. Chairman, the purpose of this amendment, the text of which has appeared in the CONGRESSIONAL RECORD, is to provide some form of congressional control over very large arms sale transactions, particularly those transactions which have not been previously announced to the Congress.

This amendment does two things. It would require a report to be made to the Congress on any arms sale to a foreign government, either for cash or for credit—and the majority of sales are for cash—in an amount in excess of \$25,000,000 for any one sale. That is one provision.

The second provision would require that, if aggregate sales made to a foreign government are in excess of the amount submitted to the Congress in advance in the form of an estimate, as is required to be done now by the administration, with regard to both cash and credit sales, the administration must let us know they are going over.

Those are the two provisions with regard to reports.

What would happen following those reports? If the Congress does nothing, then the administration could proceed with the sales, after 30 days. If either House disapproved of the sale, the sale could not be executed.

That is the same kind of a provision, almost exactly, that we adopted yesterday in the anti-impoundment bill. It is

the same kind of provision for a one-House veto, if you will, that applies in the Reorganization Act. So that there is nothing new about the proposal.

The amendment contains boiler-plate language providing for that procedure, of a veto by one House, for either of these types of sales.

Some of the Members may have received objections from the Department of Defense to a similar amendment, proposed by Senator NELSON of Wisconsin, that was passed by the Senate. His amendment called for many more reports than my amendment does, because his amendment called for reports on sales in the amount of more than \$50 million to any country, regardless of whether prior estimates had been furnished to the Congress. This would have called for a great many reports. All I am calling for is reports on sales in excess of the estimates that have previously been submitted to the Congress, and approved by the requisite committees, or for very large sale in an amount of over \$25 million.

Mr. Chairman and Members of the Committee, I did not submit this amendment in the committee and I apologize for that. I regret that we did not have a chance to discuss this in the committee. But the reason is that the need for this amendment has been brought home to me since the committee finished its deliberations. The need is illustrated by the announcements that have been made of the huge proposals for contemplated sale of arms to Saudi Arabia, Iran, and other countries in the Persian Gulf. Under present legislation the administration can proceed with cash sales or credit sales, but cash sales can take place without any further check or any opportunity for the Congress to say no. And this, I believe, is a dangerous situation. I think the Congress should be kept informed on such sales, particularly when they exceed what we have been told before was contemplated, and be given an opportunity to say no. That is the essence of the amendment. I hope very much that the members of the committee and the chairman will see fit to accept it.

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

Mr. Chairman, this is a five-page amendment. At this late hour, I did not even have time to read the full text of the amendment, even though the gentleman has discussed it with me. It might have some merit, and we might be able in the committee to consider it. I promise the gentleman from New York I will take a look at the amendment at some future hearing.

I understand this amendment was triggered in the other body by the announced sale of defense articles to Iran and potential sales to Saudi Arabia and Iraq. My rough reading of the amendment indicates to me that it is of doubtful constitutionality because it involves both Houses separately participating in the execution of the law, and the delegation to each House separately of the legislative authority that the Constitution vests in the Congress as a whole. This is a very complicated constitutional ques-

tion. I do not feel at this late hour that the House should adopt an amendment of this length and of this magnitude.

I promise the gentleman from New York the committee will take another look at his proposal, and if there is any way we can work this in future legislation, we will be glad to do so.

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

Mr. MORGAN. I yield to the gentleman from New York.

Mr. BINGHAM. Can the chairman give us some indication that he would at least view this with sympathy in conference? This is a matter of some immediate urgency. We did take action yesterday on precisely the same kind of congressional procedure. I would hope the chairman will indicate that he could look, at least with some sympathetic consideration on this amendment in conference.

Mr. MORGAN. Of course, the gentleman's amendment is different from the Nelson amendment in the other body. As far as the chairman is concerned, in my own personal opinion, and not speaking as one of the conferees, the amendment is just impossible administratively.

It is just impossible. The Executive would be making reports every minute on the minute. I do not see that the Nelson amendment could be sustained under the Constitution. I do not believe the gentleman's amendment can be supported, so I hope we will not have to go to conference between the two amendments. The gentleman's amendment and the amendment offered by Senator NELSON are different, but I cannot offer any sympathy for either.

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

Mr. Chairman, there have been times during the day when I have not agreed with the chairman of the Foreign Affairs Committee, but, frankly, at this point I think he has understated the objection to this amendment. It would introduce nothing but chaos to certain practical adjustments that we would be making. I would suggest the amendment be resoundingly defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: Page 48, strike out line 1 and all that follows down through line 5 and insert in lieu thereof the following:

(a) Add the following new subsection at the end of section 3 of chapter 1, relating to eligibility:

"(c) No sophisticated weapons, including sophisticated—

Mr. MORGAN. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. ANDERSON of California. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, we are almost at the end of the debate, and it is not the chairman's intention to ac-



tively oppose the gentleman's amendment. I feel, with the other amendment in, this one has a right to be in.

Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and printed in the Record, and that all debate on the bill and all amendments thereto close at 9:15 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The remainder of the bill is as follows:

#### FISHERMEN'S PROTECTIVE ACT OF 1967

SEC. 28. Section 5 of the Fishermen's Protective Act of 1967 is repealed.

#### REVISION OF SOCIAL PROGRESS TRUST FUND AGREEMENT

SEC. 29. (a) The President or his delegate shall seek, as soon as possible, a revision of the Social Progress Trust Fund Agreement (dated June 19, 1961) between the United States and the Inter-American Development Bank. Such revision should provide for the—

(1) periodic transfer of unencumbered capital resources of such trust fund, and of any future repayments or other accruals otherwise payable to such trust fund, to—

(A) the Inter-American Foundation, to be administered by the Foundation for purposes of part IV of the Foreign Assistance Act of 1969 (22 U.S.C. 290f and following);

(B) the United States Department of State to be administered by the Mutual Development and Cooperation Agency for purposes of sections 1 and 2 of the Latin American Development Act; and/or

(C) subject to the approval of the Department of State, to the United States Treasury for general uses of the Government; and/or

(2) utilization of such unencumbered capital resources, future repayments, and other accruals by the Inter-American Development Bank for purposes of sections 1 and 2 of the Latin American Development Act (22 U.S.C. 1942 and 1943) in such a way that the resources received in the currencies of the more developed member countries are utilized to the extent possible for the benefit of the lesser developed member countries.

(b) Any transfer of utilization under this section shall be in such proportions as may be agreed to between the United States and the Inter-American Development Bank.

(c) Any transfer under subparagraph (A) of subsection (a) (1) shall be in the amounts, and in available currencies, determined in consultation with the Inter-American Foundation, to be required for its program purposes.

(d) The revision of the Social Progress Trust Fund Agreement pursuant to this section shall provide that the President or his designee shall specify, from time to time, after consultation with the Inter-American Development Bank, the particular currencies to be used in making the transfer or utilization described in this section.

(e) Not later than January 1, 1974, the President shall report to Congress on his action taken pursuant to this section.

Mr. ANDERSON of California. Mr. Chairman, this amendment would strike that section of the bill which nullified the current law barring military sales to countries which seize our vessels in international waters—unless the President finds that such sales are "important to the security of the United States, or he receives reasonable assurances—that future violations will not occur."

Again, I believe that we must retain those laws on the books which express our disapproval of piracy. We must let

these nations know that arbitrary actions in violation of international law will not be condoned.

Being a fisherman is not an easy life, and the administration does not make it any easier by signaling the intention to abandon them all together.

We should support them, but even more important to our Nation, is the importance of a free and open sea. We simply cannot condone arbitrary actions which threaten to close the seas, not only to our fishermen, but to our Navy and our merchant fleet.

As you know, the State Department did use its authority under this section of the law to withhold military sales to Ecuador in 1971. As a result, we saw seizures by Ecuador cut in half—reduced by 50 percent.

This should be an indication to the State Department that more sanctions—not less—may have an effect in stopping international piracy.

What is particularly disturbing is the fact that U.S. naval vessels—which are not loaned under this law, by the way—are loaned to a country and then used against our fishermen.

Roughly one-third of the entire Ecuadorian Navy is former U.S. naval vessels. Four of these loaned ships have been involved in the seizure of U.S. vessels.

I believe that we should retain the law which gives the administration authority to withhold military aid to countries violating international sanctions.

To do otherwise is to abandon our claim to a free and open sea, and to invite other nations to take part in collecting this type of "backdoor" foreign aid and assistance.

I ask for an "aye" vote to keep the law which authorizes a prohibition of military assistance to those who violate international law by seizing our vessels on the high seas.

Mr. MORGAN. Mr. Chairman, I have no objection to this amendment. However, I wish that the gentleman would clear it with the ranking minority member of the committee.

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

Mr. ANDERSON of California. I yield to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I have not really had a chance to look at the amendment.

Mr. ANDERSON of California. All this amendment does is put the present law back into the section which was taken out as it pertains to foreign military sales. The amendment simply adds the earlier foreign assistance, and this is foreign military sales.

There is no difference in the effect of the amendment.

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

Mr. ANDERSON of California. I yield to the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, is the gentleman telling us the language is exactly the same as it is in the present law?

Mr. ANDERSON of California. Yes.

Mr. MORGAN. Mr. Chairman, we have no objection.

Mr. BOB WILSON. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. Mr. Chairman, the foreign aid bill before us today carries three provisions that are certain to cripple the American tuna fishing industry and eventually lead to price increases of tuna in the marketplace.

I refer specifically to sections 17, 27, and 28 which combined would repeal existing U.S. statutes that require a reduction in aid and a cutoff of military sales to countries that seize or harass U.S. fishing vessels in international waters. Passage of these repealing sections would be a tragic mistake by the House.

The House Foreign Affairs Committee, in its report on this bill, says these are punitive laws which should be repealed because foreign nations affected by them do not want to appear to be "bowing" to U.S. pressures and, therefore, continue making seizures.

Frankly, I think we should be concerned more with the safety and rights of our own citizens than with the hurt feelings of those countries whose actions border on outright piracy.

Most of these tuna fishermen are my constituents from San Diego. They have had to work in fear of their lives while fishing in international waters of Peru and Ecuador. Their boats have been rammed, shot at and commandeered by Peruvian and Ecuadorian patrol boats, often far beyond any legally recognized national limit. Ironically, these patrol boats belonged to the United States before being sold or loaned to these nations. In other words, these countries gladly accept our aid with one hand and slap our American fishermen with the other. If anyone should have hurt feelings, it is the United States. Are we to "bow" and they not? Indeed not. Neither side should bow but both should bend toward reaching a peaceful settlement of this issue. Meaningful negotiation has been the goal of all of us who have followed this controversy closely through the years. Our State Department has tried for the past 20 years to take this fight off the high seas and put it on the negotiation table only to have its various proposals fall on deaf ears from the other side. It was only after many years of blatant depredations by Peru and Ecuador and their adamant refusal to negotiate a settlement that Congress enacted the Fisherman's Protective Act amendments that require reduced aid to these offending nations. These amendments must be preserved so long as seizures continue. I urge that the House eliminate the repealing sections of the foreign aid bill and show that we intend to stand by our fishermen and their rights on the high seas.

I cannot agree with the committee's thinking that these repeal actions are necessary to demonstrate U.S. desire to reach accord on settling the 200-mile fishing zone controversy now being discussed at the planning sessions of the

Law of the Sea Conference in Geneva. Contrarily, I think such action by Congress could mislead nations advocating the 200-mile limit to think the United States is weakening and about to capitulate from its position.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ANDERSON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DANIELSON

Mr. DANIELSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANIELSON: On page 53, after line 23, insert the following new section:

#### EQUITABLE EXPENDITURE OF FUNDS

SEC. 30. (a) Unless the Congress shall provide otherwise in language expressly made applicable to this section, at any time during the fiscal year 1974, the amount obligated or expended pursuant to this Act for any program or activity authorized by this Act, expressed as a percentage of the amount appropriated by law for purposes of such program or activity, shall not be more than 10 percentage points greater than the amount obligated or expended at that time for any other program or activity authorized by Act of Congress, expressed as a percentage of the amount appropriated by law for purposes of such other program or activity for the fiscal year 1974.

(b) For purposes of this section, the term "other program or activity" shall include any program or activity administered by or under the direction of the Department of Agriculture, the Department of Commerce, the Department of Labor, the Department of Housing and Urban Development, the Department of Health, Education, and Welfare, the Department of Transportation, the Environmental Protection Agency, and the Veterans' Administration.

Mr. MORGAN. Mr. Chairman, I was on my feet when the amendment was read. I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Pennsylvania reserves a point of order against the amendment.

(By unanimous consent, Mr. HAYS yielded his time to Mr. DANIELSON.)

Mr. DANIELSON. Mr. Chairman and my colleagues, the amendment which I offer would not change any of the provisions of this bill, it is intended only to improve this legislation. We are all familiar with the old saying—"charity begins at home"—a saying which accurately reflects the feelings of many Members of the Congress, and tens of millions of American citizens and taxpayers. My amendment would give effect to that saying—would give it meaning—and make it a part of national policy.

While we debate foreign aid we must remember that we have many urgent and unmet needs right here at home. These are suffered by a broad segment of our society and our economy. They affect farmers and agriculture, the unemployed and wage earners, youth searching for jobs, medical care, hospitalization, housing, the elderly, education, our environment, veterans, and a host of other groups, interests, and activities. While the desire to help the unfortunate

in other lands is commendable, I submit that our first duty is to the people of the United States, our fellow citizens, and to our own country; we should commit our resources to solving our own problems before we send our substance abroad.

To those of you who strongly favor foreign aid I say that this amendment will not prevent the President from fully executing the provisions of this foreign aid bill. It would only require that he likewise execute those laws which are intended to solve domestic problems—to meet domestic needs.

To my colleagues who favor domestic programs, who believe, as I do, that "charity begins at home"—I point out that my amendment would insure that domestic programs receive a share of our funding and that if we are to send our substance abroad, then the needs of our own citizens and taxpayers will receive, at least, some attention.

The bill before us—section 3-103—page 4—contains \$300 million per year for 2 years, \$600 million, for agriculture, rural development and nutrition. Yet hundreds of millions of dollars which have already been appropriated for domestic agricultural programs, have not been put to use.

The bill at hand—section 3-107—page 6—contains \$60 million for economic development programs, yet many domestic economic development programs, already a part of the law of the land, have not been implemented. For example, \$17.8 million for minority business development has been withheld.

This bill—section 3-105—would appropriate \$115 million for each of 2 years, \$230 million for human resources development—which on the domestic side our funding for manpower training and development has been held up to the extent of \$283,800,000.

The bill—section 6—page 9—provides \$305 million for each of 2 years—\$610 million—for housing. Yet nearly a billion dollars worth of already-appropriated domestic housing programs have been nullified by failure to execute those laws.

And in the field of health and education—this bill—sections 104 and 105—calls for \$265,000,000 for 2 years a total of \$530 million for health services, education and the like. At the same time more than \$55 million of such domestic programs remain unexecuted, including millions appropriated for health facilities and education for American Indians.

In the field of transportation—section 106, page 6—the bill would provide \$93 million for each of 2 years, \$186 million, for transportation. Meanwhile U.S. domestic transportation programs, totaling nearly \$2½ billion, are being nullified.

I respectfully submit that if we can afford a foreign aid program, the least we should do is take care of some of our needs here at home.

Recognizing that all Government programs do not and can not move at exactly the same pace, it is necessary to build flexibility into the section. pro-

posed by my amendment. That flexibility is provided by the language which permits a 10 percent variance in the rate of obligation and expenditure of funds appropriated for the several different programs and activities. I add that this provision for 10 percent flexibility is compatible with the 10 percent figure which we included in the spending ceiling bill we proposed yesterday.

The proposed language also recognizes that circumstances can change and that it may be necessary or desirable to change the variance formula to accommodate those changes. The first clause of the section provides:

Unless the Congress shall provide otherwise in language expressly made applicable to this section.

Thus, the Executive and the Congress, working together—as they should—can quickly and easily vary the formula to adjust to changing needs resulting from changing circumstances. Whenever the Executive, in the management of the Government's business, might determine that money could be saved, all he would have to do is notify the Congress, and by resolution the Congress could provide for an appropriate change in the rate of expenditure—or could terminate it altogether. The Congress and the Executive could economize whenever a need is lessened or removed, or could accelerate expenditure whenever a need is increased. All the Executive has to do, if he finds a need to change the formula, is to send a message to the Congress asking for a variance in the formula and the Congress, by resolution, can quickly provide it.

#### POINT OF ORDER

Mr. MORGAN. Mr. Chairman, I insist on a point of order, and I should like to be heard.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MORGAN. Mr. Chairman, this bill deals solely with authorizations for appropriations for foreign aid. The amendment of the gentleman covers many programs of agencies: The Department of Agriculture, the Department of Commerce, the Department of Labor, the Department of Housing and Urban Development, the Department of Health, Education, and Welfare, the Environmental Protection Agency, and the Veterans' Administration. It goes far afield from the present legislation, and therefore I insist on my point of order.

The CHAIRMAN (Mr. PRICE of Illinois). The Chair is ready to rule.

The Chair has examined the amendment, and observes that the amendment does not directly affect the obligation or expenditure of funds under other Government programs. Rather, the percentages obligated or expended under other programs merely serve as a measure or limit of percentages which can be obligated or expended under programs in the pending bill. For this reason, the Chair feels that the amendment is a germane restriction on the availability of funds authorized in the pending bill, and the Chair overrules the point of order.



The question is on the amendment offered by the gentleman from California (Mr. DANIELSON).

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. RARICK).

AMENDMENT OFFERED BY MR. RARICK

Mr. RARICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RARICK: Page 53, after line 23, add a new section:

"Sec. 30. Notwithstanding any other provision of law, no funds authorized by this Act shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam), unless by an Act of Congress assistance to North Vietnam is specifically authorized."

(By unanimous consent, Mr. SIKES yielded his time to Mr. RARICK.)

Mr. RARICK. Mr. Chairman, the amendment I propose is self-explanatory. The committee report on the bill indicates at page 54 that there is no money in this bill specifically for North Vietnam. However, there is no prohibition set forth in the legislation.

The amendment provides a prohibition against any funds under this act going to aid in the reconstruction of the Democratic Republic of Vietnam, North Vietnam, unless specifically authorized by Congress.

I believe it is a good amendment, and I urge its adoption.

Mr. SIKES. Mr. Chairman, I support the amendment of the distinguished gentleman from Louisiana. I realize that the committee does not intend to open the door to foreign aid for North Vietnam. Nevertheless, there are passages in the bill and in the report which make reference to Indochina, and Indochina includes North Vietnam. I think we must be doubly sure of what H.R. 9360 accomplishes.

If there is anything that I feel the American people strongly resent, it is the prospect of using American taxpayers' dollars to rebuild the Nation which has for more than a decade wreaked havoc throughout Indochina. A nation which has brought death and suffering to thousands upon thousands of American families. A nation which has required us to spend billions upon billions of dollars in the defense of freedom and a nation which continues aggression even today despite their signature to a ceasefire.

No, Mr. Chairman, I do not think the American people would accept action by the Congress to open the gates by whatever means for aid for North Vietnam. We can not even get enough money to satisfy the recognized needs of our own people. We are far, far in debt. We do not have money to give away to an enemy to our people, an enemy to world people. This is where the chips are down. This is where we close the gate or open it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. RARICK).

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, during the course of this debate there have been those who have expressed doubts about the credibility of our foreign assistance programs, doubts similar to those which I myself have expressed, for example, to friends who have come to me from time to time with stories about the giant fish that got away.

But I would like to take a few moments today to tell my doubting colleagues a fish story about several million pounds of fish that did not get away and that are feeding Americans and thousands of persons in underdeveloped countries around the world.

The line used to snare these whoppers was Auburn University at Auburn, Ala., and the bait was some \$460,000 in AID contracts to that school.

Of course, as every fisherman knows, it takes time to reel in the big fish and so it has taken some time to conduct the research which has produced these significant results.

In 1969, AID implemented a program at Auburn entitled Increasing Fish Production by Improved Fishcultures and a year later the International Center for Aquaculture was established there under authority of the Foreign Assistance Act of 1961.

With this support, officials at Auburn began a program to add experts in selected fields to the faculty; develop a library of world wide literature on aquaculture and more effective methods for dissemination of this information; provide educational opportunities in aquaculture for personnel of AID and other U.S. governmental agencies and private foundations, for students interested in international development and for foreign participant training; and to develop worldwide collection of data on food fisheries and other aquatic organism that appear suitable for culture.

The center is conducting research into fish breeding and genetics and methods for increased production—research which has resulted in what AID Director Dr. John Hannah calls "a true revolution in fish production, getting almost a pound of fish flesh per pound of feed."

This research was conducted in the United States, by American scientists with funds from our foreign assistance AID programs.

One experiment, for example, produced more rapid growth in channel catfish and doubled the production from 2,500 pounds to 5,000 pounds per acre.

In a second project, Auburn researchers increased production of fish raised in cage cultures, which is a popular production method in the Orient.

In East Pakistan the water hyacinth is abundant and is seen solely as an interference with water management. Through research, scientists at the Auburn Center were able to create from this plant a fish food supplement which

produced higher weight gains and higher survival in food fish.

Armed with the results of these and many other studies, including a number dealing with small pond production, scientists from Auburn have traveled to Thailand, Brazil, Peru, Panama, the Philippines and elsewhere to help improve the production of fish in these countries.

Their studies, of course, are also being utilized in our own country to increase fish production and reduce noxious plants in waterways.

Mr. Chairman, the Auburn fish story represents a relatively small investment of our foreign assistance dollars, but it has produced tremendous results through money spent in the United States.

The benefits of this program, however, are not limited to fish production. These funds have helped to develop and expand the International Center for Aquaculture, they have helped to strengthen the curriculum at Auburn University, and provide more opportunities for American young people to study. They are also providing jobs for Americans.

In a second AID project in Alabama, Tuskegee Institute is using a \$500,000 grant received last year to improve its capability and competence to execute its livestock development programs. This is a grant under our foreign assistance program which will help strengthen an American University. Tuskegee is working on an informal consortium arrangement with Purdue University, Texas A. & M. and Florida State University, all which have similar AID grants to work on different phases of the livestock production problem.

While there is a need throughout the world to increase livestock production to feed starving millions, any American housewife will tell you that there is a very real need today in this country for the benefits of increased livestock production that this grant will provide.

While the Auburn and Tuskegee projects are only two of the contracts administered under our foreign assistance program, they are symbolic of what this program represents.

In fiscal 1972, for example, over 4,000 American manufacturers and suppliers from 48 States received a \$792 million payment for commodities shipped to the less developed countries under AID economic assistance programs.

More than 1,300 AID contracts for technical services with U.S. institutions, private companies, and individual technical experts, valued at \$840 million were underway in fiscal 1972. Of this amount 395 contracts, like those at Auburn and Tuskegee valued at \$273 million were held by 137 American colleges and universities in 43 different States.

In addition, American carriers earned about \$70 million in fiscal 1972 for transporting AID financed exports to the underdeveloped countries.

Mr. Chairman, our foreign assistance program has proven itself to be in the

best interest of the American people in terms of jobs, creating foreign markets for American products, strengthening U.S. institutions and companies and creating a better world for all people in which there can be hope for stability and peace. Through contracts like that with Auburn University in Alabama, AID is waging war on such ancient enemies of man as hunger, poverty, and disease. Mr. Chairman, this program merits our continued support.

Mr. CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. VAN DEERLIN).

#### AMENDMENT OFFERED BY MR. VAN DEERLIN

Mr. VAN DEERLIN. Mr. Chairman, I offer an amendment.

Mr. Chairman, I ask unanimous consent that the reading of the amendment be waived and it be printed in the RECORD.

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

There was no objection.

The amendment is as follows:

Amendment offered by Mr. VAN DEERLIN: Page 53, after line 23, add the following new section:

#### TRANSFERS OF MILITARY VESSELS AND BOATS

SEC. 30. (a) Notwithstanding any other provision of law, a vessel or boat of the United States Government (including, but not limited to, any battleship, aircraft carrier, cruiser, destroyer, or submarine) may be sold, loaned, leased, given, or transferred by any other means to a foreign country or international organization only in accordance with the provisions of this section and, in the case of any battleship, aircraft carrier, cruiser, destroyer, or submarine, only if such transfer is specifically authorized by law.

(b) (1) Any such sale, loan, lease, gift, or transfer of a noncombatant type vessel or boat may be made only—

(A) if, after the terms, price, and conditions of any proposed offer to dispose have been published in the Federal Register, members of the United States fishing industry, States and political subdivisions thereof, and United States educational and scientific institutions are given an opportunity to acquire the vessel or boat on the same terms, prices, and conditions, and no qualified bid is received within a reasonable period of time determined by the head of the agency; and

(B) if no qualified bid is received, only if the head of the agency of the United States Government making the disposition obtains satisfactory assurances that the vessel or boat will not be used in any way in competition with the United States fishing industry in fishing, fishing related, or fishing support activities.

(2) The appropriate agencies of the United States Government are authorized and directed to carry out the provisions of paragraph (1) (A) of this subsection and to issue the necessary rules and regulations. They shall also require that bids be received within a set time period.

(3) No lease, loan, or other agreement

previously entered into between the United States and any foreign country or international agency for any noncombatant type vessel or boat shall be renewed or extended except in conformity with paragraph (1) (B) of this subsection unless the lease, loan, or other agreement provides for its renewal or extension upon the same terms as the original lease, loan, or other agreement.

(c) No vessel or boat may be sold, loaned, leased, given or transferred by any other means to any foreign country or international organization unless that country or organization agrees prior to any such transfer that—

(1) the vessel or boat will not be used to interfere in any way with the normal fishing operations of any United States fishing vessel that is operating in any area claimed as territorial seas or fishery management zone which is not recognized as such or on the high seas; and

(2) if any such transferred vessel or boat is so used, the vessel or boat will be returned to the United States Government.

In the event any such transferred vessel or boat is used by a foreign country or international organization to interfere in any way with the normal fishing operations of any United States fishing vessel that is operating in any area claimed as territorial seas or fishery management zone which is not recognized as such or on the high seas, no other vessel or boat shall thereafter be transferred by any means to that country or organization unless the Secretary of State is satisfied that such country or organization will no longer so use any such vessel or boat.

Mr. VAN DEERLIN. Mr. Chairman, this amendment deals with the disposition of surplus naval vessels for foreign nations. It establishes the principle that these vessels should be made available only if they have been first offered on the same terms to American universities or scientific organizations or to American industries; secondly, that the nations receiving those vessels shall agree in advance that they shall not be used on the high seas against American citizens; and, thirdly, that if the vessels are so used, they shall be returned forthwith to the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania.

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

It is a very far-reaching amendment. There is no basis for this amendment in this bill. It really belongs in the Military Procurement bill, which is scheduled for debate on Monday.

Mr. Chairman, I hope the gentleman offers his amendment on Monday in that bill, and that we defeat the amendment today.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. VAN DEERLIN).

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

(By unanimous consent, Mrs. SULLIVAN yielded her time to Mr. DINGELL.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. REID).

Mr. REID. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Chairman, I rise in support of all the amendments that reinstate the present law with regards to the protection of our fishermen on the high seas.

This is a very difficult and hazardous endeavor for the men who go out to the sea in ships. They look to us here in the Congress to afford them, and not only them, but the American flag which they fly and sail under the necessary protection from illegal search and seizure.

These are good people, they are honest hardworking people and we must do everything possible to protect them.

We must and shall respect the sovereign right of all nations based on justice and law, but some of the unilateral actions taken by some nations with regard to their fisheries zone are not based on recognized precepts of international law, nor on any recognized concept of territorial acquisition.

We should and will of course participate in the Law of the Sea Conference and we hope that the participating nations enter into this conference with a spirit of friendship, understanding, and a mutual desire for the common good. We wish them well. In the meantime we must afford our fishermen some degree of protection.

I cannot agree with the actions of the committee to strike out the only source of assistance we give the industry. Again, Mr. Chairman, I stand with my friends in the fishing and shrimping industry.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, let me just say two things: First, to those Members primarily on this side who voted against my amendment to cut the funds for reconstruction of Vietnam, those Members had a very sound reason for doing so. Perhaps their judgment was correct, but they should vote for the bill if they feel that this money is important.

To the Members on this side primarily, I will say that there is wonderful stuff in this bill, particularly in the first part of the bill: the humanitarian assistance and the development program which has been developed by the committee.

Mr. Chairman, I hope that the Members will all vote for the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).



## PARLIAMENTARY INQUIRY

Mr. FRASER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

The FRASER. Mr. Chairman, are there any further amendments at the desk?

The CHAIRMAN. There is an amendment.

Mr. FRASER. Mr. Chairman, I wish the Chair would call for the amendment so that we might have an opportunity to discuss it.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

## AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: Page 52, strike out lines 1, 2, and 3.

Renumber the succeeding section accordingly.

Mr. DINGELL. Mr. Chairman, section 28 of the bill would repeal section 5 of the Fishermen's Protective Act.

Mr. Chairman, briefly explained, the Fishermen's Protective Act directs the Secretary of State to attend to the welfare of the crew of any vessel of the United States seized by a foreign country on the basis of rights or claims not recognized by this country in territorial waters or on the high seas. In this regard the United States recognizes only a 12-mile fisheries zone off the shores of any country. If the vessel owner is required to pay a fine, fee, or other direct charge to secure release of his vessel, the act directs the Secretary of the Treasury to reimburse the owner for the amount of such charges. Also, the act provides for the reimbursement of such vessel owner for other losses incurred during the period of illegal detention of the vessel.

Mr. Chairman, section 5 of the act, which H.R. 9360 would repeal, is the heart of the act. Without section 5, the act in effect becomes meaningless insofar as trying to prevent these acts of piracy that have been carried out over the years by certain Latin American countries, namely, Ecuador and Peru.

During the past 20 years, the countries of Ecuador and Peru—which claim a 200-mile exclusive fisheries zone—have illegally seized more than 100 U.S. tuna vessels. These seizures have resulted in the payment of fines and fees by U.S. fishermen in the amount of nearly \$4 million. Since late last year, these countries have seized 44 American tuna vessels. Total payments made by vessel owners to obtain release of their vessels and crews amounted to \$2,305,416. Pursuant to section 9 of the act, which established the Fishermen's Protective Fund, \$3 million was appropriated to that fund earlier this year. Funds are now available with which to pay the claims resulting from the 44 seizures, but as of this date none of the claims has been paid.

Mr. Chairman, I think I know why none of these claims has been paid. Section 5 of the Fishermen's Protective Act sets forth procedures to be followed when

American vessels have been illegally seized, which is as follows: Immediately upon reimbursement of the fines and fees to a vessel owner, the Secretary of State is required to notify the offending country of any reimbursement made to the vessel owner and to try to collect the claim from such country. If the offending country fails to pay the claim within 120 days after being notified, the Secretary of State is required to transfer an amount equal to such unpaid claim from any funds programed to that country for assistance under the Foreign Assistance Act to a revolving fund created by the Fishermen's Protective Act. A transfer in no way satisfies the claim and the Secretary of State is required to continue his efforts to collect such claim. The President could prevent such transfer from taking place if he certifies to the Congress it is in the national interest not to do so.

Mr. Chairman, once any or all of these claims amounting to \$2,305,416, are reimbursed to the vessel owners, then naturally this requires the Secretary of State to notify the offending country of such payment or payments, which in turn starts the 120-day waiting period.

Mr. Chairman, this is the position I have been trying to get the Secretary of State in ever since I have been chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment. For years, although I felt the language of section 5 of the act sufficiently made it clear it was mandatory, the Secretary of State has always interpreted this section as giving him some discretion as to whether he has to make and collect such a claim against an offending foreign country. After lengthy hearings and untiring efforts by members of my subcommittee, late last year we rewrote section 5 of the act to make it crystal clear that whatever discretionary authority the Secretary thought he had did not exist any longer. Section 5 now mandates him to notify the foreign country—which he has never done in the past since the inception of the act in 1954—and, if reimbursement is not received from the foreign country within 120 days, then to deduct the amount of the claim from any foreign assistance programed to that country under the Foreign Assistance Act.

Mr. Chairman, this is the first test case we have had under this act since it came into effect in October 1972. This is the first time we have had an opportunity to see how effective the act will be in preventing illegal seizures of American fishing vessels. To repeal section 5 of the act at this time—which will strip the heart out of the act—will in effect eliminate any bargaining power we have gained as a result of rewriting this section, thereby further weakening the ability of the U.S. Government to effectively resolve the complex and increasing problem of illegal seizures. Also, it will eliminate the requirement in the section that mandates the Secretary of State to continue his efforts to try to collect any unreimbursed claim for the benefit of the American taxpayer.

Mr. Chairman, I think it would be a tragedy for section 28 to remain in the bill and I urge the passage of my amendment.

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

Mr. DINGELL. I yield to the gentleman.

Mr. FRASER. I will say that I do not have any objection to the gentleman's amendment, and I think the sentiment of the body is in favor of having it adopted.

Mr. DINGELL. I thank the gentleman.

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

Mr. DINGELL. I yield to the gentleman.

Mr. MORGAN. I want to say, also, as chairman of the committee, I have no objection to restoration of this language in the bill.

Mr. DINGELL. I thank the chairman for that statement.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mrs. SULLIVAN. Mr. Chairman, as pointed out by the gentleman from Michigan, to repeal section 5 of the Fishermen's Protective Act—an act under the jurisdiction of the Merchant Marine and Fisheries Committee—would in effect make the act meaningless insofar as its usefulness in trying to put an end to seizure of American fishing vessels by certain Latin American countries.

Mr. Chairman, I cannot help but think if section 5 of the Fishermen's Protective Act is repealed that our State Department would be very happy. In fact, I sincerely feel that the \$2,305,416 owed to American fishermen, as a result of the 44 seizures of their vessels by the countries of Ecuador and Peru, would have already been paid if the State Department were not holding up these funds in the hope that section 5 of the act will be repealed. The money with which to reimburse the owners of these illegally seized vessels was deposited in the revolving fund weeks ago. Yet, to date, not a single one has been reimbursed. I know of no other reason for any or all of these claims not having been paid as of this date, except for the requirement—which the State Department violently opposes—that, for the first time since the inception of the act in 1954, the Secretary of State is going to have to notify the countries of Ecuador and Peru that the American fishermen have been reimbursed for the ransom money they paid to get their vessels and crews released. And, for the first time, the Secretary of State is going to have to continue his efforts to collect such claims against such foreign countries, irrespective of whether the amount of such claims is ever deducted from any foreign assistance, programed to such countries under the Foreign Assistance Act.

Mr. Chairman, the requirement in section 5, that funds spent to reimburse fishermen be replaced by money deducted from foreign assistance pro-

gramed for the country involved, should cause the Members no worry regarding its effect on foreign policy. Forseeing such a possibility, my committee included in this section discretionary authority for the President of the United States to certify to the Congress that it is not in the national interest to deduct such funds, whenever he considers such action necessary.

Mr. Chairman, finally I would like to briefly comment on the inconsistency of the positions recently taken by the State Department. Ever since the passage of the Fishermen's Protective Act in 1954, the State Department has always advised our tuna fishermen not to voluntarily buy licenses to fish within the 200-mile fisheries zone of such countries, as Ecuador and Peru. To do so, the State Department says, would in essence recognize the sovereignty of those countries over their excessive fisheries claims, and defeat the principle to which we adhere—"the freedom of the seas."

Just last Friday, July 20, representatives of the State Department testified at hearings held by our Subcommittee on Fisheries and Wildlife Conservation and the Environment on legislation I introduced as a result of an executive communication from the State Department, H.R. 8529, to implement the shrimp fishing agreement with Brazil. The country of Brazil, like Ecuador and Peru, claims a 200-mile exclusive fisheries zone.

Early last year, the State Department worked out an agreement with Brazil whereby we agreed to pay that country \$200,000 per year in consideration of its allowing up to 325 American shrimp vessels to freely fish within 200 miles of its shores without fear of being seized. The implementing legislation for this agreement would set up a licensing system whereby each American vessel desiring to fish in those waters would be assessed an annual fee of approximately \$700.

Now, Mr. Chairman, without prejudicing the legislation I introduced at the request of the State Department, I want to bring out the fact, that at the same time this Department is advising our tuna fishermen to refuse to buy a license to fish within the 200-mile fisheries zone of Ecuador and Peru, the same State Department is participating in a scheme that will supposedly temporarily resolve the excessive fisheries claim of the country of Brazil as it relates to the United States, if our fishermen will voluntarily buy licenses to fish for shrimp within the coastal waters of Brazil.

Mr. Chairman, as I previously stated, I do not want to prejudice the legislation that would implement the Brazilian shrimp fishing agreement; however, I do wish to make it clear that I like the Fishermen's Protective Act as it was finally worked out by my committee last year. I think section 5 of that act is essential to its effectiveness in trying to reach a solution to the problem of illegal seizures of American fishing vessels, and I am of the firm conviction that since we are finally faced with a test case, we should give section 5 of the act a chance to prove its worth.

Mr. Chairman, I wholeheartedly support the amendment offered by the gen-

tleman from Michigan to strike section 28 of the bill which would repeal section 5 of the Fishermen's Protective Act, and I urge its prompt passage.

Mr. VAN DEERLIN. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. VAN DEERLIN. Mr. Chairman, the Committee on Foreign Affairs is asking Congress to retract words uttered, and to reverse actions we felt compelled to take just 2 short years ago—in effect, to apologize for those words and actions.

Over the past 20 years, Peru and Ecuador, to enforce their claim on exclusive fishing rights out to 200 miles, have levied fines totaling nearly \$4 million against American boat owners whose property they took into custody on the high seas.

When protests availed nothing, Congress finally rewrote section 5 of the Fishermen's Protective Act, requiring the Secretary of State to take certain actions against nations illegally seizing our fishing vessels. This action was to consist primarily in deducting, from foreign aid to such nations, the amount of fines levied.

Hardly menacing, that—particularly in the hands of State Department officials who showed no stomach for a tough stance in defense of our fishing interests. But the intent of Congress was made clear. It was that the eagle should not submit forever to having his tail feathers plucked.

Now even this show of indignation is to be withdrawn, if we follow the committee's lead in section 28 of the bill under consideration.

The committee, in attempting to justify this reversal of a policy so clearly set forth by another Congress, explains meekly that Latin American nations "object to such sanctions."

And so we retreat from a stand which, though never very firm, at least offered some small sign of determination. We tell any and all nations they are free to seize our boats on the high seas—and that we ourselves will continue repaying boat owners the full amount of any sums these nations see fit to extort—that they need not fear our retaliation by so much as a dime of foreign aid withheld.

Long ago, in dealing with other pirates, Robert Goodloe Harper, a Member of Congress from South Carolina, spoke the ringing words:

Millions for defense, but not one cent for tribute!

Our new motto, if the Committee on Foreign Affairs has its way, apparently must be:

Millions for tribute, and keep the change.

Meanwhile, those modern-day pirates to the south, gleefully counting our dollars for conversion to pesos, may come to look upon the American eagle as the chicken of the sea.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of the amendment offered by Mr. DINGELL which would

retain the provisions of the Fishermen's Protective Act.

The bill before us today would repeal the current law that is designed to deter those nations which seize our fishing vessels while in international waters. The Fishermen's Protective Act directs the Secretary of State to contact those countries in violation of international sanctions, and collect from them the amount they fined our fishermen. If the offending nation refuses to reimburse our Government, then the Secretary is required—except in the "national interest"—to deduct an amount equal to the fines from any foreign aid authorized to the pirate nation.

This, it seems to me, is extremely fair:

If a country chooses to violate international procedures and seize our vessels on the high seas, then why should we—the American taxpayer—reward them with foreign aid?

We must deter pirate nations.

We must keep the seas open for commerce and fishing.

And, we must protect our fishermen from unlawful seizures by those nations which violate accepted international regulations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

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. 9360) to amend the Foreign Assistance Act of 1961, and for other purposes, pursuant to House Resolution 506, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

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. BROOMFIELD

Mr. BROOMFIELD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROOMFIELD. I am in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROOMFIELD moves to recommit the bill (H.R. 9360) to the Committee on Foreign Affairs with instructions to report the same back to the House forthwith with the following amendments: Page 5, in line 23, strike out "\$115,000,000" and insert in lieu thereof "\$90,000,000".

Page 6, in line 9, strike out "\$93,000,000" and insert in lieu thereof "\$80,000,000".

Page 6, in line 19, strike out "\$60,000,000" and insert in lieu thereof "\$50,000,000".



The SPEAKER. The gentleman from Michigan (Mr. BROOMFIELD) is recognized for 5 minutes in support of his motion to recommit.

Mr. BROOMFIELD. Mr. Speaker, the motion to recommit I believe provides a very modest economy vote here of \$68 million. These affect just three programs under the reform provisions. My motion to recommit does not affect food, nutrition or population planning and health, but it does reduce the education and human resources by \$25 million.

As to the selected development program, if Members recall, this was the amendment sponsored by the gentleman from Iowa (Mr. GROSS) and which lost by one vote, where the gentleman from Iowa moved to strike the entire \$93 million. My amendment still provides \$60 million, so there is a \$33 million cut there.

The final one is the one on selected countries and organizations, a reduction from \$60 to \$50 million, for a total of \$10 million.

This provides less than 10 percent of the \$718 million provided in this particular area of the bill.

The SPEAKER. The gentleman from Pennsylvania (Mr. MORGAN) is recognized.

Mr. MORGAN. Mr. Speaker, I rise in opposition to the motion to recommit offered by the gentleman from Michigan (Mr. BROOMFIELD).

Mr. Speaker, we have had a long and tedious debate on each one of these sections.

The motion to recommit offered by the gentleman from Michigan seeks to cut \$25 million for education, \$33 million for selected projects, \$10 million for selected countries and volunteer agencies, for a total of \$68 million.

I realize that the cut is not a major one, but I still feel that this bill offers a new direction in foreign aid, and I believe that we should stand by the amounts voted by the Committee of the Whole during our debate here.

Therefore, Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

## RECORDED VOTE

Mr. BROOMFIELD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 139, not voting 62, as follows:

[Roll No. 397]

## AYES—232

Alexander	Bevill	Broyhill, N.C.
Andrews, N.C.	Biaggi	Broyhill, Va.
Archer	Blackburn	Burgener
Armstrong	Bray	Burke, Fla.
Ashbrook	Brinkley	Burke, Mass.
Bafalis	Brooks	Burleson, Tex.
Baker	Broomfield	Burlison, Mo.
Beard	Brown, Mich.	Butler
Bennett	Brown, Ohio	Byron

Carter	Hogan	Rinaldo
Casey, Tex.	Holt	Roberts
Cederberg	Hosmer	Robinson, Va.
Chamberlain	Huber	Rogers
Chappell	Hudnut	Roncallo, Wyo.
Clark	Hungate	Rose
Clausen,	Hunt	Roush
Don H.	Hutchinson	Rousselot
Clawson, Del.	Ichord	Roy
Cleveland	Jarman	Runnels
Cochran	Johnson, Colo.	Ruppe
Collier	Johnson, Pa.	Ruth
Collins, Tex.	Jones, Ala.	Sandman
Conable	Jones, N.C.	Sarasin
Conlan	Jones, Okla.	Satterfield
Conte	Jones, Tenn.	Saylor
Coughlin	Karh	Scherle
Crane	Kazen	Schneebell
Cronin	Keating	Sebelius
Daniel, Dan	Kemp	Shipley
Daniel, Robert	Ketchum	Shoup
W. Jr.	Kuykendall	Shuster
Davis, Ga.	Latta	Sikes
Davis, S.C.	Lent	Slack
Davis, Wis.	Littton	Smith, Iowa
de la Garza	Long, La.	Snyder
Delaney	Long, Md.	Spence
Denholm	Lujan	Stanton
Dennis	McClory	James V.
Dent	McCloskey	Steed
Derwinski	McCollister	Steiger, Ariz.
Donohue	McDade	Steiger, Wis.
Dorn	McEwen	Stubblefield
Downing	McKay	Stuckey
Duncan	McSpadden	Sullivan
du Pont	Macdonald	Talcott
Edwards, Ala.	Madden	Taylor, Mo.
Eshleman	Mahon	Taylor, N.C.
Evins, Tenn.	Mann	Teague, Calif.
Flynt	Maraziti	Thomson, Wis.
Forsythe	Martin, Nebr.	Thone
Fountain	Martin, N.C.	Thornton
Frey	Mathis, Ga.	Towell, Nev.
Froehlich	Mayne	Treen
Fulton	Mazzoli	Van Deerlin
Gaydos	Melcher	Vander Jagt
Gilman	Michel	Veysey
Ginn	Miller	Vigorito
Goldwater	Mitchell, N.Y.	Waggonner
Goodling	Mizell	Walsh
Green, Oreg.	Mollohan	Wampler
Gross	Montgomery	White
Gubser	Moorhead,	Whitehurst
Guyer	Calif.	Whitten
Haley	Natcher	Wilson, Bob
Hammer-	Nichols	Wilson,
schmidt	O'Brien	Charles H.,
Hanley	Owens	Calif.
Hanrahan	Parris	Wyatt
Harsha	Perkins	Wyder
Harvey	Peyser	Wylie
Hastings	Pike	Wyman
Hays	Poage	Young, Alaska
Hébert	Powell, Ohio	Young, Fla.
Hechler, W. Va.	Preyer	Young, Ill.
Heckler, Mass.	Price, Tex.	Young, S.C.
Heinz	Quie	Young, Tex.
Henderson	Quillen	Zion
Hicks	Randall	Zwach
Hillis	Rarick	
Hinshaw	Rhodes	

## NOES—139

Abzug	Daniels	Helstoski
Adams	Dominick V.	Holifield
Addabbo	Danielson	Holtzman
Anderson,	Dellenback	Howard
Calif.	Dellums	Johnson, Calif.
Annuzio	Diggs	Jordan
Ashley	Dingell	Kastenmeier
Aspin	Drinan	Koch
Badillo	Dulski	Kyros
Barrett	Eckhardt	Lehman
Bergland	Edwards, Calif.	McCormack
Biestler	Ellberg	McFall
Bingham	Esch	McKinney
Blatnik	Evans, Colo.	Mailliard
Boggs	Fascell	Mallory
Boland	Findley	Mathias, Calif.
Boiling	Flood	Matsunaga
Brademas	Foley	Meeds
Breaux	Ford,	Mezvisky
Breckinridge	William D.	Minish
Brown, Calif.	Fraser	Mink
Buchanan	Frelinghuysen	Mitchell, Md.
Burke, Calif.	Gialmo	Moakley
Burton	Gonzalez	Moorhead, Pa.
Carey, N.Y.	Grasso	Morgan
Chisholm	Gray	Mosher
Clay	Green, Pa.	Moss
Cohen	Gude	Murphy, Ill.
Collins, Ill.	Hamilton	Murphy, N.Y.
Corman	Hansen, Idaho	Nedzi
Cotter	Hansen, Wash.	Nelsen
Culver	Harrington	Nix

Obeys	Rooney, Pa.	Symington
O'Hara	Rosenthal	Teague, Tex.
O'Neill	Rostenkowski	Tiernen
Passman	Ryan	Udall
Patten	St Germain	Ullman
Pepper	Sarbanes	Vanik
Pickle	Seiberling	Ware
Price, Ill.	Sisk	Whalen
Pritchard	Smith, N.Y.	Wilson,
Railsback	Staggers	Charles, Tex.
Rangel	Stanton,	Wolff
Rees	J. William	Wright
Reid	Steele	Yates
Reuss	Stokes	Yatron
Robison, N.Y.	Stratton	Young, Ga.
Rodino	Studds	Zablocki

## NOT VOTING—62

Abdnor	Fuqua	Patman
Anderson, Ill.	Gettys	Pettis
Andrews,	Gibbons	Podell
N. Dak.	Griffiths	Regula
Arends	Grover	Riegle
Bell	Gunter	Roe
Bowen	Hanna	Roncallo, N.Y.
Brasco	Hawkins	Rooney, N.Y.
Brotzman	Horton	Roybal
Camp	King	Schroeder
Carney, Ohio	Kluczynski	Shriver
Clancy	Landgrebe	Skubitz
Conyers	Landrum	Stark
Devine	Leggett	Stephens
Dickinson	Lott	Symms
Erlenborn	Madigan	Thompson, N.J.
Fish	Metcalfe	Waldie
Fisher	Milford	Widnall
Flowers	Mills, Ark.	Wiggins
Ford, Gerald R.	Minshall, Ohio	Williams
Frenzel	Myers	Winn

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Roe for, with Mr. Thompson of New Jersey against.

Mr. Gunter for, with Mr. Rooney of New York against.

Mr. Landrum for, with Mr. Hanna against. Mr. Fisher for, with Mr. Kluczynski against.

Mr. Stark for, with Mr. Podell against.

Mr. Flowers for, with Mr. Brasco against.

Mr. Carney of Ohio for, with Mr. Hawkins against.

Mr. Gerald R. Ford for, with Mr. Metcalfe against.

Mr. Fuqua for, with Mr. Conyers against.

Mr. Gettys for, with Mrs. Griffiths against.

Mr. Arends for, with Mr. Leggett against.

Mr. Grover for, with Mr. Patman against.

Mr. Horton for, with Mr. Roybal against.

Mr. Bell for, with Mrs. Schroeder against.

Mr. Devine for, with Mr. Waldie against.

Mr. Myers for, with Mr. Riegle against.

Until further notice:

Mr. Mills of Arkansas with Mr. Anderson of Illinois.

Mr. Milford with Mr. Abdnor.

Mr. Bowen with Mr. Andrews of North Dakota.

Mr. Gibbons with Mr. Brotzman.

Mr. Stephens with Mr. Camp.

Mr. Clancy with Mr. King.

Mr. Dickinson with Mr. Lott.

Mr. Roncallo of New York with Mr. Erlenborn.

Mr. Fish with Mr. Madigan.

Mr. Frenzel with Mr. Minshall of Ohio.

Mr. Pettis with Mr. Shriver.

Mr. Skubitz with Mr. Widnall.

Mr. Symms with Mr. Wiggins.

Mr. Williams with Mr. Winn.

The result of the vote was announced as above recorded.

Mr. MORGAN. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report back the bill H.R. 9360 with amendments.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendments: Page 5, in line 23, strike out "\$115,000,000" and insert in lieu thereof "\$90,000,000".

Page 6, in line 9, strike out "\$93,000,000" and insert in lieu thereof "\$80,000,000".

Page 6, in line 19, strike out "\$60,000,000" and insert in lieu thereof "\$50,000,000".

The SPEAKER. The question is on the amendments.

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.

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 183, nays 183, present 1, not voting 61, as follows:

[Roll No. 398]

YEAS—183

Abzug  
Addabbo  
Anderson,  
Calif.  
Annunzio  
Armstrong  
Ashley  
Badillo  
Barrett  
Bergland  
Biaggi  
Blester  
Bingham  
Blackburn  
Blatnik  
Boggs  
Boland  
Bolling  
Brademas  
Breckinridge  
Brooks  
Broomfield  
Brown, Mich.  
Buchanan  
Burke, Calif.  
Burton  
Carey, N.Y.  
Cederberg  
Chamberlain  
Chisholm  
Clay  
Cohen  
Collins, Ill.  
Conable  
Conte  
Corman  
Cotter  
Coughlin  
Cronin  
Culver  
Daniels  
Dominick V.  
Danielson  
Dellenback  
Dellums  
Diggs  
Dingell  
Donohue  
Drinan  
du Pont  
Eckhardt  
Eilberg  
Erlenborn  
Esch  
Evans, Colo.  
Fascell  
Findley  
Flood  
Foley  
Forsythe  
Fraser  
Frelinghuysen  
Gaimo  
Gilman

Gonzalez  
Grasso  
Green, Pa.  
Gubser  
Gude  
Guyer  
Hamilton  
Hanley  
Hansen, Idaho  
Harrington  
Harvey  
Hebert  
Heckler, Mass.  
Heinz  
Helstoski  
Hollifield  
Holtzman  
Hosmer  
Howard  
Johnson, Calif.  
Johnson, Pa.  
Jordan  
Karth  
Keating  
Kemp  
Koch  
Kuykendall  
Kyros  
Leggett  
Lehman  
Lent  
Long, Md.  
McClary  
McCloskey  
McDade  
McEwen  
McFall  
McKay  
McKinney  
Madden  
Mahon  
Mailliard  
Mallory  
Mann  
Mathias, Calif.  
Matsunaga  
Mayne  
Mazzoli  
Meeds  
Melcher  
Mezvinsky  
Minish  
Mink  
Mitchell, Md.  
Mitchell, N.Y.  
Moakley  
Moorhead, Pa.  
Morgan  
Mosher  
Murphy, Ill.  
Murphy, N.Y.  
Nedzi  
Nelsen  
Nix

O'Brien  
O'Hara  
O'Neill  
Patten  
Pepper  
Perkins  
Peyser  
Preyer  
Price, Ill.  
Fritchard  
Quite  
Rallsback  
Rangel  
Rees  
Reid  
Reuss  
Rhodes  
Rinaldo  
Robison, N.Y.  
Rodino  
Rooney, Pa.  
Rosenthal  
Rostenkowski  
Ruppe  
Ryan  
St Germain  
Sarasin  
Sarbanes  
Schneebeli  
Sebellus  
Seiberling  
Sisk  
Smith, Iowa  
Smith, N.Y.  
Stanton  
J. William  
Steele  
Steiger, Wis.  
Stokes  
Stratton  
Sullivan  
Symington  
Teague, Tex.  
Tiernan  
Udall  
Ullman  
Van Deerlin  
Vander Jagt  
Vanik  
Vigorito  
Walsh  
Ware  
Whalen  
Wilson, Bob  
Wilson,  
Charles, Tex.  
Wolf  
Wright  
Wyder  
Yates  
Yatron  
Young, Ga.  
Young, Ill.  
Zablocki

NAYS—183

Adams  
Alexander  
Andrews, N.C.  
Archer  
Ashbrook  
Aspin  
Bafalis  
Baker  
Beard  
Bennett  
Bevill  
Bray  
Breaux  
Brinkley  
Brown, Calif.  
Brown, Ohio  
Broyhill, N.C.  
Broyhill, Va.  
Burgener  
Burke, Fla.  
Burke, Mass.  
Burleson, Tex.  
Burlison, Mo.  
Butler  
Byron  
Carter  
Casey, Tex.  
Chappell  
Clark  
Clausen,  
Don H.  
Clawson, Del.  
Cleveland  
Cochran  
Collins, Tex.  
Conlan  
Crane  
Daniel, Dan  
Daniel, Robert  
W., Jr.  
Davis, Ga.  
Davis, S.C.  
Davis, Wis.  
de la Garza  
Delaney  
Denholm  
Dennis  
Derwinski  
Dorn  
Downing  
Dulski  
Duncan  
Edwards, Ala.  
Edwards, Calif.  
Eshleman  
Evins, Tenn.  
Flynt  
Ford,  
William D.  
Fountain  
Frey  
Froehlich  
Fulton

Gaydos  
Ginn  
Goldwater  
Goodling  
Gray  
Green, Oreg.  
Gross  
Haley  
Hammer-  
schmidt  
Hanrahan  
Hansen, Wash.  
Harsha  
Hastings  
Hays  
Hechler, W. Va.  
Henderson  
Hicks  
Hillis  
Hinshaw  
Hogan  
Holt  
Huber  
Hudnut  
Hungate  
Hunt  
Hutchinson  
Ichord  
Jarman  
Johnson, Colo.  
Jones, Ala.  
Jones, N.C.  
Jones, Okla.  
Jones, Tenn.  
Kastenmeier  
Kazen  
Ketchum  
Latta  
Littton  
Long, La.  
Lujan  
McCollister  
McCormack  
McSpadden  
Macdonald  
Maraziti  
Martin, Nebr.  
Martin, N.C.  
Mathis, Ga.  
Miller  
Mizell  
Mollohan  
Montgomery  
Moorhead,  
Calif.  
Moss  
Natcher  
Nichols  
Obey  
Owens  
Parris  
Passman  
Pickle  
Pike

Poage  
Powell, Ohio  
Price, Tex.  
Quillen  
Randall  
Rarick  
Roberts  
Robinson, Va.  
Rogers  
Roncallo, Wyo.  
Rose  
Roush  
Rousselot  
Roy  
Runnels  
Ruth  
Sandsman  
Satterfield  
Saylor  
Scherle  
Shipley  
Shoup  
Shuster  
Sikes  
Slack  
Snyder  
Spence  
Staggers  
Stanton,  
James V.  
Steed  
Steelman  
Steiger, Ariz.  
Stubblefield  
Stuckey  
Studds  
Talcott  
Taylor, Mo.  
Taylor, N.C.  
Teague, Calif.  
Thomson, Wis.  
Thone  
Thornton  
Towell, Nev.  
Treen  
Veysey  
Waggonner  
Wampler  
White  
Whitehurst  
Whitten  
Wilson,  
Charles H.,  
Calif.  
Wyatt  
Wylie  
Wyman  
Young, Alaska  
Young, Fla.  
Young, S.C.  
Young, Tex.  
Zion  
Zwach

PRESENT—1

Michel

NOT VOTING—61

Abdnor  
Anderson, Ill.  
Andrews,  
N. Dak.  
Arends  
Bell  
Bowen  
Brasco  
Brotzman  
Camp  
Carney, Ohio  
Clancy  
Collier  
Conyers  
Devine  
Dickinson  
Fish  
Fisher  
Flowers  
Ford, Gerald R.  
Frenzel

Fuqua  
Gettys  
Gibbons  
Griffiths  
Grover  
Gunter  
Hanna  
Hawkins  
Horton  
King  
Kluczynski  
Landgrebe  
Landrum  
Lott  
Madigan  
Metcalfe  
Milford  
Mills, Ark.  
Minshall, Ohio  
Myers  
Patman

Pettis  
Podell  
Regula  
Riegle  
Roe  
Roncallo, N.Y.  
Rooney, N.Y.  
Roybal  
Schroeder  
Shriver  
Skubitz  
Stark  
Stephens  
Symms  
Thompson, N.J.  
Waldie  
Wildall  
Wiggins  
Williams  
Winn

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Gerald R. Ford for, with Mr. Michel against.

Mr. Thompson of New Jersey for, with Mr. Gunter against.

Mr. Rooney of New Jersey for, with Mr. Landrum against.

Mr. Hanna for, with Mr. Fisher against.

Mr. Kluczynski for, with Mr. Roe against.

Mr. Podell for, with Mr. Stark against.

Mr. Brasco for, with Mr. Flowers against.

Mr. Hawkins for, with Mr. Carney of Ohio against.

Mr. Metcalfe for, with Mr. Gettys against.

Mr. Conyers for, with Mr. Fuqua against.

Mrs. Griffiths for, with Mr. Andrews of North Dakota against.

Mr. Patman for, with Mr. Devine against.

Mr. Roybal for, with Mr. Dickinson against.

Mrs. Schroeder for, with Mr. Pettis against.

Mr. Waldie for, with Mr. Shriver against.

Mr. Riegle for, with Mr. Skubitz against.

Mr. Arends for, with Mr. Abdnor against.

Mr. Horton for, with Mr. Clancy against.

Mr. Bell for, with Mr. Roncallo of New York against.

Mr. Anderson of Illinois for, with Mr. Grover against.

Mr. Widnall for, with Mr. Myers against.

Mr. Brotzman for, with Mr. Symms against.

Mr. Fish for, with Mr. Camp against.

Mr. Frenzel for, with Mr. King against.

Until further notice:

Mr. Bowen with Mr. Minshall of Ohio.

Mr. Gibbons with Mr. Collier.

Mr. Milford with Mr. Landgrebe.

Mr. Mills of Arkansas with Mr. Lott.

Mr. Stephens with Mr. Madigan.

Mr. Williams with Mr. Winn.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 506, the Committee on Foreign Affairs is discharged from the further consideration of the bill S. 1443.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. MORGAN

Mr. MORGAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MORGAN moves to strike out all after the enacting clause of the bill S. 1443 and to insert in lieu thereof the provisions of H.R. 9360, as passed, as follows:

That this Act may be cited as the "Mutual Development and Cooperation Act of 1973".

CHANGE OF TITLE OF ACT AND NAME OF AGENCY

SEC. 2. The Foreign Assistance Act of 1961 is amended as follows:

(a) In the first section, strike out "this Act may be cited as 'The Foreign Assistance Act of 1961'" and insert in lieu thereof "this Act may be cited as the 'Mutual Development and Cooperation Act'". The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) Strike out "Agency for International Development" each place it appears in such Act and insert in lieu thereof in each such place "Mutual Development and Cooperation Agency".

POLICY; DEVELOPMENT ASSISTANCE AUTHORIZATIONS

SEC. 3. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(a) In the chapter heading, immediately after "CHAPTER I—POLICY" insert "; DEVELOPMENT ASSISTANCE AUTHORIZATIONS".

(b) In section 102, relating to statement of policy, insert "(a)" immediately after



"STATEMENT OF POLICY.—", and at the end thereof add the following:

"(b) The Congress further finds and declares that, with the help of United States economic assistance, progress has been made in creating a base for the peaceful advance of the less developed countries. At the same time, the conditions which shaped the United States foreign assistance program in the past have changed. While the United States must continue to seek increased cooperation and mutually beneficial relations with other nations, our relations with the less developed countries must be revised to reflect the new realities. In restructuring our relationships with those countries, the President should place appropriate emphasis on the following criteria:

"(1) Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.

"(2) Future United States bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: food production, rural development, and nutrition; population planning and health; education, public administration, and human resource development.

"(3) United States cooperation in development should be carried out to the maximum extent possible through the private sector, particularly those institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.

"(4) Development planning must be the responsibility of each sovereign country. United States assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.

"(5) United States bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest majority of people and their capacity to participate in the development of their countries.

"(6) United States development assistance should continue to be available through bilateral channels until it is clear that multilateral channels exist which can do the job with no loss of development momentum.

"(7) The economic and social development programs to which the United States lends support should reflect, to the maximum extent practicable, the role of United States private investment in such economic and social development programs, and arrangements should be continually sought to provide stability and protection for such private investment.

"(8) Under the policy guidance of the Secretary of State, the Mutual Development and Cooperation Agency should have the responsibility for coordinating all United States development-related activities."

(c) At the end thereof, add the following new sections:

"SEC. 103. FOOD AND NUTRITION.—In order to prevent starvation, hunger, and malnutrition, and to provide basic services to the people living in rural areas and enhance their capacity for self-help, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development, and nutrition. There are authorized to be appropriated to the President for the purposes of

this section, in addition to funds otherwise available for such purposes, \$300,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 104. POPULATION PLANNING AND HEALTH.—In order to increase the opportunities and motivation for family planning, to reduce the rate of population growth, to prevent and combat disease, and to help provide health services for the great majority, the President is authorized to furnish assistance on such terms and conditions as he may determine, for population planning and health. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$150,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 105. EDUCATION AND HUMAN RESOURCE DEVELOPMENT.—In order to reduce illiteracy, to extend basic education, and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration, and human resource development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$90,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 106. SELECTED DEVELOPMENT PROBLEMS.—The President is authorized to furnish assistance on such terms and conditions as he may determine, to help solve economic and social development problems in fields such as transportation and power, industry, urban development, and export development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$60,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 107. SELECTED COUNTRIES AND ORGANIZATIONS.—The President is authorized to furnish assistance on such terms and conditions as he may determine, in support of the general economy of recipient countries or for development programs conducted by private or international organizations. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, \$50,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 108. APPLICATION OF EXISTING PROVISIONS.—Assistance under this chapter shall be furnished in accordance with the provisions of title I, II, VI, or X of chapter 2 of this part, and nothing in this chapter shall be construed to make inapplicable the restrictions, criteria, authorities, or other provisions of this or any other Act in accordance with which assistance furnished under this chapter would otherwise have been provided.

"SEC. 109. TRANSFER OF FUNDS.—Notwithstanding the preceding section, whenever the President determines it to be necessary for the purposes of this chapter, not to exceed 15 per centum of the funds made available for any provision of this chapter may be transferred to, and consolidated with, the funds made available for any other provision of this chapter, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made

shall not be increased by more than 25 per centum of the amount of funds made available for such provision."

#### DEVELOPMENT LOAN FUND

SEC. 4. Section 203 of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to fiscal provisions, is amended as follows:

(a) Strike out "the Mutual Security Act of 1954, as amended," and insert in lieu thereof "predecessor foreign assistance legislation".

(b) Strike out "for the fiscal year 1970, for the fiscal year 1971, for the fiscal year 1972, and for the fiscal year 1973 for use for the purposes of this title, for loans under title VI, and for the purposes of section 232" and insert in lieu thereof "for the fiscal years 1974 and 1975 for use for the purposes of chapter 1 of this part and part VI of this Act."

#### TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 5. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to technical cooperation and development grants, is amended as follows:

(a) In section 211(a), relating to general authority, in the last sentence immediately after the word "assistance" insert the word "directly".

(b) In section 214, relating to authorization for American schools and hospitals abroad, strike out subsections (c) and (d) and insert in lieu thereof the following:

"(c) To carry out the purposes of this section, there are authorized to be appropriated to the President for the fiscal year 1974, \$20,000,000, and for the fiscal year 1975, \$20,000,000, which amounts are authorized to remain available until expended.

"(d) There are authorized to be appropriated to the President to carry out the purposes of this section, in addition to funds otherwise available for such purposes, for the fiscal year 1974, \$7,000,000, and for the fiscal year 1975, \$7,000,000, in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

"(e) Amounts appropriated under this section shall not be used to furnish assistance under this section in any fiscal year to more than four institutions in the same country, and not more than one such institution shall be a university and not more than one such institution shall be a hospital."

#### HOUSING GUARANTIES

SEC. 6. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to housing guarantees, is amended as follows:

(a) In section 221, relating to worldwide housing guarantees, strike out "\$205,000,000" and insert in lieu thereof "\$305,000,000".

(b) In section 223(i), relating to general provisions, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1976".

#### OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 7. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to the Overseas Private Investment Corporation, is amended as follows:

(a) In section 235(a)(4), relating to issuing authority of the Overseas Private Investment Corporation, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1975".

(b) In section 240(h), relating to agricultural credit and self-help community development projects, strike out "June 30, 1973" and insert in lieu thereof "June 30, 1975".

#### ALLIANCE FOR PROGRESS

SEC. 8. Section 252(b) of title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to authorization of appropriations, is amended to read as follows:

"(b) There are hereby authorized to be appropriated to the President for the fiscal year 1974, \$968,000, and for the fiscal year 1975, \$968,000, for grants to the National Association of the Partners of the Alliance, Inc. in accordance with the purposes of this title."

#### PROGRAMS RELATING TO POPULATION GROWTH

SEC. 9. Section 292 of title X of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "1972 and 1973" and inserting in lieu thereof "1974 and 1975".

#### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 10. Chapter 3 of part I of the Foreign Assistance Act of 1961, relating to international organizations and programs, is amended as follows:

(a) At the end of section 301, relating to general authority, add the following new subsection:

"(e)(1) In the case of the United Nations and its affiliated organizations, including the International Atomic Energy Agency, the President shall, acting through the United States representative to such organizations, propose and actively seek the establishment by the governing authorities of such organizations a single professionally qualified group of appropriate size for the purpose of providing an independent and continuous program of selective examination, review, and evaluation of the program and activities of such organizations. Such proposal shall provide that such group shall be established in accordance with such terms of reference as such governing authority may prescribe and that the reports of such group on each examination, review, and evaluation shall be submitted directly to such governing authority for transmittal to the representative of each individual member nation. Such proposal shall further include a statement of auditing and reporting standards, as prepared by the Comptroller General of the United States, for the consideration of the governing authority of the international organization concerned to assist in formulating terms of reference for such review and evaluation group.

"(2) In the case of the International Bank for Reconstruction and Development and the Asian Development Bank, the President shall, acting through the United States representative to such organizations, propose and actively seek the establishment by the governing authorities of such organizations professionally qualified groups of appropriate size for the purpose of providing independent and continuous program of selective examination, review, and evaluation of the program and activities of such organizations. Such proposal shall provide that such groups shall be established in accordance with such terms of reference as such governing authorities may prescribe and that the reports of such groups on each examination, review, and evaluation shall be submitted directly to such governing authority for transmittal to the representative of each individual member nation. Such proposal shall further include a statement of auditing and reporting standards, as prepared by the Comptroller General of the United States, for the consideration of the governing authority of the international organization concerned to assist in formulating terms of reference for such review and evaluation groups.

"(3) Reports received by the United States representatives to these international organizations under this subsection and related information on actions taken as a result of recommendations made therein shall be submitted promptly to the President for transmittal to the Congress and to the Comptroller General. The Comptroller General shall periodically review such reports and related information and shall report simultaneously to the Congress and to the President any suggestions the Comptroller

General may deem appropriate concerning auditing and reporting standards followed by such groups, the recommendations made and actions taken as a result of such recommendations."

(b) In section 302(a), strike out "for the fiscal year 1972, \$138,000,000 and for the fiscal year 1973, \$138,000,000" and insert in lieu thereof, "for the fiscal year 1974, \$127,800,000 and for the fiscal year 1975, such sums as may be necessary".

(c) In section 302(b)(2), strike out "for use in the fiscal year 1972, \$15,000,000, and for use in the fiscal year 1973, \$15,000,000" and insert in lieu thereof "for use in the fiscal year 1974, \$15,000,000, and for use in the fiscal year 1975, \$15,000,000".

(d) Section 302(d) is amended to read as follows:

"(d) Of the funds provided to carry out the provisions of this chapter for each of the fiscal years 1974 and 1975, \$18,000,000 shall be available in each such fiscal year only for contributions to the United Nations Children's Fund."

(e) In section 302(e), strike out "\$1,000,000 for the fiscal year 1972 and \$1,000,000 for the fiscal year 1973" and insert in lieu thereof "\$2,000,000 for the fiscal year 1974 and \$2,000,000 for the fiscal year 1975".

#### CONTINGENCY FUND

SEC. 11. Subsection (a) of section 451 of chapter 5 of part I of the Foreign Assistance Act of 1961, relating to the contingency fund, is amended as follows:

(a) Strike out "for the fiscal year 1972 not to exceed \$30,000,000, and for the fiscal year 1973 not to exceed \$30,000,000" and insert in lieu thereof "for the fiscal year 1974 not to exceed \$30,000,000, and for the fiscal year 1975 not to exceed \$30,000,000".

(b) Strike out the proviso contained in the first sentence of such subsection and at the end of such subsection add the following: "In addition to the amounts authorized to be appropriated by this subsection, there are authorized to be appropriated such additional amounts as may be required from time to time to provide relief, rehabilitation, and related assistance in the case of extraordinary disaster situations. Amounts appropriated under this subsection are authorized to remain available until expended."

#### INTERNATIONAL NARCOTICS CONTROL

SEC. 12. (a) Section 481 of chapter 8 of part I of the Foreign Assistance Act of 1961, relating to international narcotics control, is amended by inserting "(a)" immediately after "INTERNATIONAL NARCOTICS CONTROL—" and by adding at the end thereof the following new subsection:

"(b)(1) Not later than forty-five days after the date on which each calendar quarter of each year ends, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a report on the programming and obligation, per calendar quarter, of funds under this chapter prior to such date.

"(2) Not later than forty-five days after the date on which the second calendar quarter of each year ends and not later than forty-five days after the date on which the fourth calendar quarter of each year ends, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a complete and detailed semiannual report on the activities and operations carried out under this chapter prior to such date. Such semiannual report shall include, but shall not be limited to—

"(A) the status of each agreement concluded prior to such date with other countries to carry out the purposes of this chapter; and

"(B) the aggregate of obligations and expenditures made, and the types and quantity of equipment provided, per calendar quarter, prior to such date—

"(i) to carry out the purposes of this chap-

ter with respect to each country and each international organization receiving assistance under this chapter, including the cost of United States personnel engaged in carrying out such purposes in each such country and with each such international organization;

"(ii) to carry out each program conducted under this chapter in each country and by each international organization, including the cost of United States personnel engaged in carrying out each such program; and

"(iii) for administrative support services within the United States to carry out the purposes of this chapter, including the cost of United States personnel engaged in carrying out such purposes in the United States."

(b) Section 482 of chapter 8 of part I of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "\$42,500,000" and all that follows down through the period at the end of such section and inserting in lieu thereof "\$50,000,000 for each of the fiscal years 1974 and 1975. Amounts appropriated under this section are authorized to remain available until expended."

#### COOPERATIVE ECONOMIC EXPANSION

SEC. 13. Part I of the Foreign Assistance Act is amended by adding at the end thereof the following new chapter:

#### "CHAPTER 10—COOPERATIVE ECONOMIC EXPANSION

"SEC. 495. COOPERATIVE ECONOMIC EXPANSION.—The President is authorized to use up to \$2,000,000 of the funds made available for the purposes of this part in each of the fiscal years 1974 and 1975 to assist friendly countries, especially those in which United States development programs have been concluded or those not receiving assistance under section 211, in the procurement of technical assistance from United States public or private agencies or individuals. Assistance under this chapter shall be for the purpose of (1) encouraging development of natural resources of interest to the United States, (2) encouragement of a climate favorable to mutually profitable trade and development, and (3) stimulation of markets for United States exports. Any funds used for purposes of this section may be provided on a loan or grant basis and may be used notwithstanding any other provision of this Act."

#### MILITARY ASSISTANCE

SEC. 14. Chapter 2 of part II of the Foreign Assistance Act of 1961, relating to military assistance, is amended as follows:

(a) In section 504(a), relating to authorization, strike out "\$500,000,000 for the fiscal year 1972" and insert in lieu thereof "\$550,000,000 for the fiscal year 1974".

(b) In section 506(a), relating to special authority, strike out the words "the fiscal year 1972" wherever they appear and insert in lieu thereof "the fiscal year 1974".

(c) Section 513 is amended—

(1) by striking out "THAILAND—" in the section heading and inserting in lieu thereof "THAILAND, LAOS, and VIETNAM—(a)"; and

(2) by adding at the end thereof the following new subsection:

"(b) After June 30, 1974, no military assistance shall be furnished by the United States to Laos or Vietnam directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act."

(d) Section 514 is repealed.

#### SECURITY SUPPORTING ASSISTANCE

SEC. 15. Section 532 of chapter 4 of part II of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "for the fiscal year 1972 not to exceed \$618,000,000, of which not less than \$50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1974 not to exceed \$125,000,000 of which not less than \$50,000,000 shall be available solely for Israel".



## INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 16. (a) Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new chapter:

## "CHAPTER 5—INTERNATIONAL MILITARY EDUCATION AND TRAINING

"SEC. 541. STATEMENT OF PURPOSE.—The purpose of this chapter is to establish an international military education and training program which will—

"(1) improve the ability of friendly foreign countries, through effective military education and training programs relating particularly to United States military methods, procedures, and techniques, to utilize their own resources and equipment and systems of United States origin with maximum effectiveness for the maintenance of their defensive strength and internal security, thereby contributing to enhanced professional military capability and to greater self-reliance by the armed forces of such countries;

"(2) encourage effective and mutually beneficial relationships and enhance understanding between the United States and friendly foreign countries in order to maintain and foster the environment of international peace and security essential to social, economic, and political progress; and

"(3) promote increased understanding by friendly foreign countries of the policies and objectives of the United States in pursuit of the goals of world peace and security.

"SEC. 542. GENERAL AUTHORITY.—The President is authorized in furtherance of the purposes of this chapter, to provide military education and training by grant, contract, or otherwise, including—

"(1) attendance by military and related civilian personnel of friendly foreign countries at military educational and training facilities in the United States (other than the Service Academies) and abroad;

"(2) attendance by military and related civilian personnel of friendly foreign countries in special courses of instruction at schools and institutions of learning or research in the United States and abroad;

"(3) observation and orientation visits by foreign military and related civilian personnel to military facilities and related activities in the United States and abroad; and

"(4) activities that will otherwise assist and encourage the development and improvement of the military education and training of members of the armed forces and related civilian personnel of friendly foreign countries so as to further the purposes of this chapter, including but not limited to the assignment of noncombatant military training instructors, and the furnishing of training aids, technical, educational and informational publications and media of all kinds.

"SEC. 543. AUTHORIZATION.—To carry out the purposes of this chapter, there are authorized to be appropriated to the President \$30,000,000 for the fiscal year 1974. Amounts appropriated under this section are authorized to remain available until expended.

"SEC. 544. ANNUAL REPORTS.—The President shall submit no later than December 31 each year a report to the Congress of activities carried on and obligations incurred during the immediately preceding fiscal year in furtherance of the purposes of this chapter. Each such report shall contain a full description of the program and the funds obligated with respect to each country concerning which activities have been carried on in furtherance of the purposes of this chapter."

(b) The Foreign Assistance Act of 1961 is amended as follows:

(1) Section 503(d), relating to general authority, is amended by striking out the comma and the words "including those relating to training or advice".

(2) Section 504(a), relating to authorization, is amended by striking out "(other than training in the United States)".

(3) Section 510, relating to restrictions on

training foreign military students, is repealed.

(4) Section 622, relating to coordination with foreign policy, is amended as follows:

(A) In subsection (b) immediately after the phrase "(including civic action)" insert the words "and military education and training".

(B) Subsection (c) is amended to read as follows:

"(c) Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of economic assistance, military assistance and military education and training programs, including but not limited to determining whether there shall be a military assistance (including civic action) or a military education and training program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby."

(5) Section 623, relating to the Secretary of Defense, is amended as follows:

(A) In subsection (a)(4), immediately after the word "military", insert the words "and related civilian".

(B) In subsection (a)(6), immediately after the word "assistance", insert a comma and the words "education and training".

(6) Section 632, relating to allocation and reimbursement among agencies, is amended by inserting in subsections (a), (b), and (c) immediately after the word "articles", wherever it appears, a comma and the words "military education and training".

(7) Section 636, relating to provisions on uses of funds, is amended as follows:

(A) In subsection (g)(1), immediately after the word "articles", insert a comma and the words "military education and training".

(B) In subsection (g)(2), strike out the word "personnel" and insert in lieu thereof the words "and related civilian personnel".

(8) Section 644, relating to definitions, is amended as follows:

(A) Subsection (f) is amended to read as follows:

"(f) 'Defense service' includes any service, test, inspection, repair, publication, or technical or other assistance or defense information used for the purposes of furnishing military assistance, but shall not include military educational and training activities under chapter 5 of part II."

(B) In subsection (g)(2), strike out the following new subsection:

"(n) 'Military education and training' includes formal or informal instruction of foreign students in the United States or overseas by officers or employees of the United States, contract technicians, contractors (including instruction at civilian institutions), or by correspondence courses, technical, educational, or information publications and media of all kinds, training aids, orientation, and military advice to foreign military units and forces."

(c) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken or entered into under authority of any provision of law amended or repealed by this section shall continue in full force and effect until modified by appropriate authority.

(d) Funds made available pursuant to other provisions of law for foreign military educational and training activities shall remain available for obligation and expenditure for their original purposes in accordance with the provisions of law originally applicable thereto, or in accordance with the provisions of law currently applicable to those purposes.

## PROHIBITIONS

SEC. 17. (a) Section 620(e) of chapter 1 of part III of the Foreign Assistance Act of 1961, relating to expropriation, is amended

by striking out paragraph (1), by striking out "(2)" at the beginning of paragraph (2), and by striking out "subsection: Provided, That this subparagraph" and inserting in lieu thereof "section (as in effect before the date of the enactment of the Mutual Development and Cooperation Act of 1973): Provided, That this subsection".

(b) Section 620(n) of such chapter, relating to equipment materials or commodities furnished to North Vietnam, is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "unless the President finds and reports, within thirty days of such finding, to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House that such assistance is in the national interest of the United States."

"The President's report shall contain assurances that the Government of North Vietnam is cooperating fully in providing for a full accounting of any remaining prisoners of war and all missing in action."

(c) Section 620 of such chapter is amended by adding at the end thereof the following new subsection:

"(x) No assistance shall be furnished under this or any other Act to any country which has—

"(1) nationalized or expropriated or seized ownership or control of property owned by any United States citizen or by any corporation, partnership, or association not less than 50 per centum of which is beneficially owned by United States citizens;

"(2) taken steps to repudiate or nullify existing contracts or agreements with any United States citizen or any corporation, partnership, or association not less than 50 per centum of which is beneficially owned by United States citizens; or

"(3) imposed or enforced discriminatory taxes or other exactions, or restrictive maintenance or operational conditions, or has taken other actions, which have the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property so owned;

unless the President determines that (A) an arrangement for prompt, adequate, and effective compensation has been made, (B) the parties have submitted the dispute to arbitration under the rules of the Convention for the Settlement of Investment Disputes, or (C) good faith negotiations are in progress aimed at providing prompt, adequate, and effective compensation under the applicable principles of international law."

## EMPLOYMENT OF PERSONNEL

SEC. 18. Section 625 of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to employment of personnel, is amended by adding at the end thereof the following new subsection:

"(k)(1) In accordance with such regulations as the President may prescribe, the following categories of personnel who serve in the Agency for International Development shall become participants in the Foreign Service Retirement and Disability System:

"(A) Persons serving under unlimited appointments in employment subject to section 625(d)(2) of this Act as Foreign Service Reserve officers and as Foreign Service staff officers and employees; and

"(B) A person serving in a position to which he was appointed by the President, whether with or without the advice and consent of the Senate, provided that (1) such person shall have served previously under an unlimited appointment pursuant to said section 625(d)(2) or a comparable provision of predecessor legislation to this Act, and (2) following service specified in proviso (1) such person shall have served continuously with the Agency for International Development or its predecessor agencies only in positions established under the authority of sections 624(a) and 631(b) or comparable provisions of predecessor legislation to this Act.

"(2) Upon becoming a participant in the Foreign Service Retirement and Disability System, any such officer or employee shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852 of the Foreign Service Act of 1946, as amended. Thereafter, compulsory contributions will be made with respect to each such participating officer or employee in accordance with the provisions of section 811 of the Foreign Service Act of 1946, as amended.

"(3) The provisions of section 636 and title VIII of the Foreign Service Act of 1946, as amended, shall apply to participation in the Foreign Service Retirement and Disability System by any such officer or employee.

"(4) If an officer who became a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection is appointed by the President, by and with the advice and consent of the Senate, or by the President alone to a position in any Government agency any United States delegation or mission to any international organization, in any international commission, or in any international body, such officer shall not, by virtue of the acceptance of such an appointment, lose his status as a participant in the system.

"(5) Any such officer or employee who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection shall be mandatorily retired (a) at the end of the month in which he reaches age seventy or (b) earlier if, during the third year after the effective date of this subsection, he attains age sixty-four or if he is over age sixty-four; during the fourth year at age sixty-three; during the fifth year at age sixty-two; during the sixth year at age sixty-one; and thereafter at the end of the month in which he reaches age sixty: *Provided*, That no participant shall be mandatorily retired under this paragraph while serving in a position to which appointed by the President, by and with the advice and consent of the Senate. Any participant who completes a period of authorized service after reaching the mandatory retirement age specified in this paragraph shall be retired at the end of the month in which such service is completed.

"(6) Whenever the President deems it to be in the public interest, he may extend any participant's service for a period not to exceed five years after the mandatory retirement date of such officer or employee.

"(7) This subsection shall become effective on the first day of the first month which begins more than one year after the date of its enactment, except that any officer or employee who, before such effective date, meets the requirements for participation in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection may elect to become a participant before the effective date of this subsection. Such officer or employee shall become a participant on the first day of the second month following the date of his application for earlier participation. Any officer or employee who becomes a participant in the system under the provisions of paragraph (1) of this subsection, who is age fifty-seven or over on the effective date of this subsection, may retire voluntarily at any time before mandatory retirement under paragraph (5) of this subsection and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

"(8) Any officer or employee who is separated for cause while a participant in the Foreign Service Retirement and Disability System pursuant to this subsection, shall be entitled to benefits in accordance with subsections 637 (b) and (d) of the Foreign Service Act of 1946, as amended. The provisions of section 625(e) of this Act shall apply to participants in lieu of the provisions of sections 633 and 634 of the Foreign Service Act of 1946, as amended."

#### REPORTS AND INFORMATION

SEC. 19. (a) Section 634 of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to reports and information, is amended by striking out subsection (f) and inserting in lieu thereof the following new subsections:

"(f) The President shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate, a comprehensive report showing, as of June 30 and December 31 of each year, the status of each loan, and each contract of guarantee or insurance, theretofore made under this Act, with respect to which there remains outstanding any unpaid obligation or potential liability; the status of each sale of defense articles or defense services on credit terms, and each contract of guarantee in connection with any such sale, theretofore made under the Foreign Military Sales Act, with respect to which there remains outstanding any unpaid obligation or potential liability; the status of each sale of agricultural commodities on credit terms theretofore made under the Agricultural Trade Development and Assistance Act of 1954, with respect to which there remains outstanding any unpaid obligation; and the status of each transaction in which a loan, contract of guarantee or insurance, or extension of credit (or participation therein) was therefore made under the Export-Import Bank Act of 1945, with respect to which there remains outstanding any unpaid obligation or potential liability: *Provided, however*, That this report shall report individually only those loans, contracts, sales, extensions of credit, or other transactions listed above in excess of \$1,000,000.

"(g) The President shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate, not later than January 31 of each year, a comprehensive report, based upon the latest data available, showing—

"(1) a summary of the worldwide dimensions of debt-servicing problems among such countries, together with a detailed statement of the debt-servicing problems of each such country;

"(2) a summary of all forms of debt relief granted by the United States with respect to such countries, together with a detailed statement of the specific debt relief granted with respect to each such country and the purpose for which it was granted;

"(3) a summary of the worldwide effect of the debt relief granted by the United States on the availability of funds, authority, or other resources of the United States to make any such loan, sale, contract of guarantee or insurance, or extension of credit, together with a detailed statement of the effect of such debt relief with respect to each such country; and

"(4) a summary of the net aid flow from the United States to such countries, taking into consideration the debt relief granted by the United States, together with a detailed analysis of such net aid flow with respect to each such country."

(b) (1) The President of the United States shall, as soon as practicable following the date of the enactment of this Act, make a determination and report to Congress with respect to the use by Portugal in support of its military activities in its African colonies of—

(A) assistance furnished under the Foreign Assistance Act of 1961 after the date of the enactment of the Mutual Development and Cooperation Act of 1973,

(B) defense articles or services furnished after such date under the Foreign Military Sales Act (whether for cash or by credit, guarantee or any other means), or

(C) agricultural commodities furnished after such date under the Agricultural Trade Development and Assistance Act of 1954.

(2) Any assistance or sales referred to in the preceding paragraph shall be suspended

upon the submission to Congress of a report by the President containing his determination that any such assistance or item so furnished after such date has been used in support of Portugal's military activities in its African colonies. Such suspension shall continue until such time as the President submits a report to Congress containing his determination that appropriate corrective action has been taken by the Government of Portugal.

#### ADMINISTRATIVE EXPENSES

SEC. 20. Section 637(a) of chapter 2 of part III of the Foreign Assistance Act of 1961, relating to authorizations for administrative expenses, is amended by striking out "for the fiscal year 1972, \$50,000,000, and for the fiscal year 1973, \$50,000,000," and inserting in lieu thereof "for the fiscal year 1974, \$53,100,000 and for the fiscal year 1975, \$53,100,000".

#### FAMINE AND DISASTER RELIEF AND AFRICAN SAHEL DEVELOPMENT PROGRAM

SEC. 21. Chapter 2 of part III of the Foreign Assistance Act of 1961 is amended by striking out section 639 and inserting in lieu thereof the following new sections:

"SEC. 639. FAMINE AND DISASTER RELIEF.—Notwithstanding the provisions of this or any other Act, the President is authorized to furnish famine or disaster relief or rehabilitation or related assistance abroad on such terms and conditions as he may determine.

"SEC. 639A. FAMINE AND DISASTER RELIEF TO THE AFRICAN SAHEL.—(a) The Congress affirms the response of the United States Government in providing famine and disaster relief and related assistance in connection with the drought in the Sahelian nations of Africa.

"(b) Notwithstanding any prohibitions or restrictions contained in this or any other Act, there is authorized to be appropriated to the President, in addition to funds otherwise available for such purposes, \$30,000,000 to remain available until expended, for use by the President, under such terms and conditions as he may determine, for emergency and recovery needs, including drought, famine, and disaster relief, and rehabilitation and related assistance, for the drought-stricken Sahelian nations of Africa.

"SEC. 639B. AFRICAN SAHEL DEVELOPMENT PROGRAM.—The Congress supports the initiative of the United States Government in undertaking consultations and planning with the countries concerned, with other nations providing assistance, with the United Nations, and with other concerned international and regional organizations, toward the development and support of a comprehensive long-term African Sahel development program."

#### ADMINISTRATIVE PROVISIONS

SEC. 22. Chapter 2 of part III of the Foreign Assistance Act of 1961, relating to administrative provisions, is amended by adding at the end thereof the following new sections:

"SEC. 640B. COORDINATION.—(a) The President shall establish a system for coordination of United States policies and programs which affect United States interests in the development of low-income countries. To that end, the President shall establish a Development Coordination Committee which shall advise him with respect to coordination of United States policies and programs affecting the development of the developing countries, including programs of bilateral and multilateral development assistance. The Committee shall include the Administrator, Mutual Development and Cooperation Agency, Chairman; and representatives of the Departments of State, Treasury, Commerce, Agriculture, and Labor, the Executive Office of the President, and other executive departments and agencies, as the President shall designate.

"(b) The President shall prescribe appropriate procedures to assure coordination among the various departments and agencies of the United States Government having representatives in diplomatic missions abroad.



"(c) Programs authorized by this Act shall be undertaken with the foreign policy guidance of the Secretary of State.

"(d) The President shall report to the Congress during the first quarter of each calendar year on United States actions affecting the development of the low-income countries and on the impact of those undertakings upon the national income, employment, wages and working conditions in the United States.

"SEC. 640C. SHIPPING DIFFERENTIAL.—For the purpose of facilitating implementation of section 901(b) of the Merchant Marine Act, 1936 (49 Stat. 1985; 46 U.S.C. 1241(b)), funds made available for the purposes of chapter 1 of part I or for purposes of part VI may be used to make grants to recipients under this part to pay all or any portion of such differential as is determined by the Secretary of Commerce to exist between United States and foreign-flag vessel charter or freight rates. Grants made under this section shall be paid with United States-owned foreign currencies wherever feasible."

#### MISCELLANEOUS PROVISIONS

SEC. 23. Chapter 3 of part III of the Foreign Assistance Act of 1961, relating to miscellaneous provisions, is amended by adding at the end thereof the following new sections:

"SEC. 659. ANNUAL NORTH ATLANTIC TREATY MILITARY ORGANIZATION REPORT.—(a) The Secretary of Defense and the Secretary of State shall submit to the Speaker of the House of Representatives and to the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate, on or before January 15 of each year a report of—

"(1) the direct, indirect, and unallocated costs to the United States of participation in the North Atlantic Treaty Organization (hereinafter in this section referred to as the 'Organization') for the last fiscal year preceding the fiscal year in which the report is submitted;

"(2) the estimated direct, indirect, and unallocated costs to the United States of participation in the Organization for the fiscal year in which the report is submitted;

"(3) the amounts requested from Congress (or estimated to be requested) for the direct, indirect, and unallocated costs to the United States of participation in the Organization for the first fiscal year following the fiscal year in which the report is submitted;

"(4) the estimated impact of expenditures related to United States participation in the Organization on the United States balance of payments including a detailed description of the offsets to such United States expenditures.

For each such direct, indirect, and unallocated cost, the Acts of Congress authorizing such cost and appropriating funds for such cost shall be listed next to such cost in the report.

"(b) For the purposes of this section—

"(1) the term 'direct costs' includes funds the United States contributes directly to any budget of the Organization (including the infrastructure program);

"(2) the term 'indirect costs' includes funds the United States spends to assign and maintain United States civilian employees for the Organization, funds spent for Government research and development attributable to the Organization, contributions to the Organization sponsored organizations, and military assistance furnished under part II of this Act, and sales of defense articles or defense services under the Foreign Military Sales Act, to member nations of the Organization; and

"(3) the term 'unallocated costs' includes (i) funds the United States spends to maintain United States Armed Forces committed exclusively or primarily for the Organization in Europe, the United States, or on the open seas, or to remove such Armed Forces from such commitment, and (ii) funds the United

States spends on facilities constructed and maintained for such forces.

"(c) All information contained in any report transmitted under this section shall be public information, except information that the Secretary of Defense or the Secretary of State designates in such report as information required to be kept secret in the interest of the national defense or foreign policy."

#### INDOCHINA POSTWAR RECONSTRUCTION

SEC. 24. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

#### "PART V

##### "CHAPTER 1. POLICY

"SEC. 801. STATEMENT OF POLICY.—It is the purpose of this part to (1) authorize immediate high-priority humanitarian relief assistance to the people of South Vietnam, Cambodia, and Laos, particularly to refugees, orphans, widows, disabled persons, and other war victims, and (2) to assist the people of those countries to return to a normal peacetime existence in conformity with the Agreement on Ending the War and Restoring the Peace in Vietnam, the cease-fire agreement for Laos, and any cease-fire agreement that may be reached in Cambodia. In this effort United States bilateral assistance should focus on critical problems in those sectors which affect the lives of the majority of the people in Indochina: food, nutrition, health, population planning, education, and human resource development. United States assistance should be carried out to the maximum extent possible through the private sector, particularly those voluntary organizations which already have ties in that region.

##### "CHAPTER 2.—GENERAL AUTHORITY AND AUTHORIZATION

"SEC. 821. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos, including especially humanitarian assistance to refugees, civilian war casualties, and other persons disadvantaged by hostilities or conditions related to those hostilities in South Vietnam, Cambodia, and Laos. No assistance shall be furnished under this section to South Vietnam unless the President receives assurances satisfactory to him that no assistance furnished under this part, and no local currencies generated as a result of assistance furnished under this part, will be used for support of police, or prison construction and administration, within South Vietnam.

"SEC. 822. AUTHORIZATION.—There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed \$632,000,000, which amount is authorized to remain available until expended.

"SEC. 823. CENTER FOR PLASTIC AND RECONSTRUCTIVE SURGERY IN SAIGON.—Of the funds appropriated pursuant to section 822 for the fiscal year 1974, not less than \$712,000 shall be available solely for furnishing assistance to the Center for Plastic and Reconstructive Surgery in Saigon.

"SEC. 824. ASSISTANCE TO SOUTH VIETNAMESE CHILDREN.—(a) It is the sense of the Congress that inadequate provision has been made (1) for the establishment, expansion, and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights, particularly children fathered by United States citizens.

"(b) The President is, therefore, authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in clauses (1) and (2) of subsection (a) of this section. Of the funds appropriated pursuant to section 822 for fiscal year 1974, \$5,000,000, or its equivalent in local currency, shall be available until expended solely to carry out this section. Not more than 10 percent of the funds made available to carry out this section may be expended for the purposes referred to in clause (2) of subsection (a). Assistance provided under this section shall be furnished, to the maximum extent practicable, under the auspices of and by international agencies or private voluntary agencies.

##### "CHAPTER 3.—CONSTRUCTION WITH OTHER LAWS

"SEC. 831. AUTHORITY.—All references to part I, whether heretofore or hereafter enacted, shall be deemed to be references also to this part unless otherwise specifically provided. The authorities available to administer part I of this Act shall be available to administer programs authorized in this part."

#### MEANING OF REFERENCES

SEC. 25. All references to the Foreign Assistance Act of 1961 and to the Agency for International Development shall be deemed to be references also to the Mutual Development and Cooperation Act and to the Mutual Development and Cooperation Agency, respectively. All references in the Mutual Development and Cooperation Act to "the agency primarily responsible for administering part I" shall be deemed references also to the Agency for International Development. All references to the Mutual Development and Cooperation Act and to the Mutual Development and Cooperation Agency shall, where appropriate, be deemed references also to the Agency for International Development, respectively.

#### FOREIGN MILITARY SALES

SEC. 26. The Foreign Military Sales Act is amended as follows:

(a) Add the following new subsection at the end of section 3 of chapter 1, relating to eligibility:

"(c) No sophisticated weapons, including sophisticated jet aircraft or spare parts and associated ground equipment for such aircraft, shall be furnished under this or any other Act to any foreign country on or after the date that the President determines that such country has violated any agreement it has made in accordance with paragraph (2) of subsection (a) of this subsection or section 505(a) of the Mutual Development and Cooperation Act or any other provision of law requiring similar agreements. The prohibition contained in the preceding sentence shall not apply on or after the date that the President determines that such violation has been corrected and such agreement complied with. Such country shall remain ineligible in accordance with this subsection until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not reoccur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned."

(b) In section 23 of chapter 2, relating to credit sales, strike out "ten" and insert in lieu thereof "twenty".

(c) In section 24(a) of chapter 2, relating to guaranties, strike out "doing business in the United States".

(d) In section 24(c) of chapter 2, relating to guaranties:

(1) strike out "pursuant to section 31" and insert in lieu thereof "to carry out this Act"; and

(2) insert "principal amount of" immediately before the words "contractual liability" wherever they appear.

(e) In section 31(a) of chapter 3, relating to authorization, strike out "\$400,000,000 for the fiscal year 1972" and insert in lieu thereof "\$450,000,000 for the fiscal year 1974".

(f) In section 31(b) of chapter 3, relating to authorization, strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)) and of the face amount of guaranties issued pursuant to sections 24(a) and (b) shall not exceed \$550,000,000 for the fiscal year 1972, of which amount not less than \$300,000,000 shall be available to Israel only" and insert in lieu thereof "and of the principal amount of loans guaranteed pursuant to section 24(a) shall not exceed \$760,000,000 for the fiscal year 1974, of which amount not less than \$300,000,000 shall be available to Israel only".

(g) In section 33(a) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "of cash sales pursuant to sections 21 and 22";

(2) strike out "(excluding credits covered (b)), of the face amount of contracts of guaranty issued pursuant to sections 24(a) and (b)" and insert in lieu thereof "of the principal amount of loans guaranteed pursuant to section 24(a)"; and

(3) strike out "\$100,000,000" and insert in lieu thereof "\$150,000,000".

(h) In section 33(b) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "of cash sales pursuant to sections 21 and 22";

(2) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24(a) and (b)" and insert in lieu thereof "of the principal amount of loans guaranteed pursuant to section 24(a)".

(i) In section 33(c) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "expenditures" and insert in lieu thereof "amounts of assistance, credits, guaranties, and ship loans";

(2) strike out "of cash sales pursuant to sections 21 and 22," and

(3) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24(a) and (b)" and insert in lieu thereof "of the principal amount of loans guaranteed pursuant to section 24(a)".

(j) In section 36 of chapter 3, relating to reports on commercial and governmental military exports, strike out subsection (a) and redesignate subsections (b) and (c) as subsections (a) and (b), respectively.

(k) In section 37(b) of chapter 3, relating to fiscal provisions, insert after "indebtedness" the following: "under section 24(b) (excluding such portion of the sales proceeds as may be required at the time of disposition to be obligated as a reserve for payment of claims under guaranties issued pursuant to section 24(b), which sums are hereby made available for such obligations)".

#### REVISION OF SOCIAL PROGRESS TRUST FUND AGREEMENT

Sec. 27. (a) The President or his delegate shall seek, as soon as possible, a revision of the Social Progress Trust Fund Agreement (dated June 19, 1961) between the United States and the Inter-American Development Bank.

Such provision should provide for the—

(1) periodic transfer of unencumbered capital resources of such trust fund, and of any future repayments or other accruals otherwise payable to such trust fund, to—

(A) the Inter-American Foundation, to be administered by the Foundation for purposes of part IV of the Foreign Assistance Act of 1969 (22 U.S.C. 290f and following);

(B) the United States Department of State to be administered by the Mutual Development and Cooperation Agency for purposes of sections 1 and 2 of the Latin American Development Act; and or

(C) subject to the approval of the Department of State, to the United States Treasury for general uses of the Government; and or

(2) utilization of such unencumbered capital resources, future repayments, and other accruals by the Inter-American Development Bank for purposes of sections 1 and 2 of the Latin American Development Act (22 U.S.C. 1942 and 1943) in such a way that the resources received in the currencies of the more developed member countries are utilized to the extent possible for the benefit of the lesser developed member countries.

(b) Any transfer of utilization under this section shall be in such proportions as may be agreed to between the United States and the Inter-American Development Bank.

(c) Any transfer under subparagraph (A) of subsection (a) (1) shall be in the amounts, and in available currencies, determined in consultation with the Inter-American Foundation, to be required for its program purposes.

(d) The revision of the Social Progress Trust Fund Agreement pursuant to this section shall provide that the President or his designee shall specify, from time to time, after consultation with the Inter-American Development Bank, the particular currencies to be used in making the transfer or utilization described in this section.

(e) Not later than January 1, 1974, the President shall report to Congress on his action taken pursuant to this section.

Sec. 28. Notwithstanding any other provision of law, no funds authorized by this Act shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam), unless by an Act of Congress assistance to North Vietnam is specifically authorized.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend the Foreign Assistance Act of 1961, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 9360) was laid on the table.

#### AUTHORIZING CLERK TO CORRECT SECTION NUMBERS AND PUNCTUATION IN ENGROSSMENT

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to S. 1443, the Clerk be authorized to correct section numbers, punctuation, and cross-references.

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

There was no objection.

#### GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

#### PROVIDING FOR THE CONSIDERATION OF S. 1989

Mr. MADDEN, from the Committee on Rules, reported the following privileged

resolution (H. Res. 512, Rept. No. 93-407) which was referred to the House Calendar and ordered to be printed:

H. Res. 512

*Resolved*, That upon the adoption of this resolution it shall be in order to 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 (S. 1989) to amend section 225 of the Federal Salary Act of 1967 with respect to certain executive, legislative, and judicial salaries. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### PROVIDING FOR THE CONSIDERATION OF S. 1697

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 511, Rept. No. 93-406) which was referred to the House Calendar and ordered to be printed:

H. Res. 511

*Resolved*, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4), Rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1697) to require the President to furnish disaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

#### PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8825, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS, 1974, UNTIL MIDNIGHT FRIDAY

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Friday to file a conference report on the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and cor-



porations for the fiscal year ending June 30, 1974, and for other purposes.

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

There was no objection.

**PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8947, PUBLIC WORKS AND ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1974**

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 8947) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes.

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

There was no objection.

**CONFERENCE REPORT (H. REPT. No. 93-409)**

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8947) "making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 9, and 14; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,714,263,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$622,275,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$56,142,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$873,589,000"; and the Senate agree to the same.

Amendment numbered 8: That the House

recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$409,125,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$16,850,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$194,275,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$25,026,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$24,426,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 15 and 16.

JOE L. EVINS,  
EDWARD P. BOLAND,  
JAMIE L. WHITTEN,  
JOHN M. SLACK,  
OTTO E. PASSMAN,  
GEORGE MAHON,  
JOHN J. RHODES,  
GLENN R. DAVIS,  
HOWARD W. ROBISON,  
ELFORD A. CEDERBERG,

**Managers on the Part of the House.**

ALAN BIBLE,  
JOHN L. MCCLELLAN,  
WARREN G. MAGNUSON,  
ROBERT C. BYRD,  
JOHN O. PASTORE,  
GALE W. MCGEE,  
JOSEPH M. MONTOYA,  
MARK O. HATFIELD,  
MILTON R. YOUNG,  
ROMAN L. HRUSKA,  
CLIFFORD P. CASE,  
TED STEVENS,  
RICHARD S. SCHWEIKER,  
HENRY BELLMON,  
JENNINGS RANDOLPH,

**Managers on the Part of the Senate.**

**JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE**

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8947) making appropriations for Public Works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1. The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

**TITLE I—ATOMIC ENERGY COMMISSION OPERATING EXPENSES**

Amendment No. 2: Appropriates \$1,714,263,000 instead of \$1,681,263,000 as proposed by the House and \$1,722,563,000 as proposed by the Senate. The increase over the House bill amount includes \$15,100,000 for the Weapons Program to be applied specifically to the testing program; \$200,000 for the recovery of highly enriched uranium scrap by chemical methods; \$500,000 for the high temperature gas reactor; \$500,000 for the thorium utilization program; \$2,000,000 for the Molten Salt Breeder Reactor technology; \$600,000 for Space Nuclear Systems; \$3,800,000 for Controlled Thermonuclear Research; \$850,000 for Isotopes Development; and \$9,450,000 for changes in selected resources.

The Conferees agree that within available funds \$1,000,000 be allocated for conceptual design studies on the second Liquid Metal Fast Breeder Reactor demonstration plant.

**PLANT AND CAPITAL EQUIPMENT**

Amendment No. 3: Appropriates \$622,275,000 instead of \$621,125,000 as proposed by the House and \$625,775,000 as proposed by the Senate. The increase over the House bill amount includes \$800,000 for procurement of long lead time items for the high energy laser facility at Lawrence Livermore Laboratory and \$350,000 for architect/engineering for a National security and resources study center.

**TITLE II—DEPARTMENT OF DEFENSE—CIVIL**

**Department of the Army, Corps of Engineers—Civil**

**GENERAL INVESTIGATIONS**

Amendment No. 4: Appropriates \$56,142,000 instead of \$53,939,000 as proposed by the House and \$57,356,000 as proposed by the Senate. The changes from the House bill are allocated to the following studies:

Alaska:	
(N) Yukon-Kuskokwin River Basins .....	+ \$40,000
(N) Kenai Harbor .....	+ 20,000
Arkansas:	
(FC) White River, Piney Creek ..	+ \$20,000
(FC) Saline River .....	— 75,000
(FC) White River, Polk Bayou ..	+ 20,000
Florida:	
(BE) Nassau County (Amelia Island) .....	+ 10,000
Idaho:	
(FC) Metropolitan Spokane and Spokane River and Tributaries, Idaho and Washington .....	+ 207,000
Illinois:	
(FC) Silver Creek .....	+ 145,000
Kentucky:	
(FC) Beargrass Creek Basin ..	+ 40,000
Mississippi:	
(N) Pascagoula Harbor .....	+ 26,000
Missouri:	
(FC) St. Genevieve .....	+ 15,000
New Jersey:	
(FC) Camden Metropolitan Area .....	+ 75,000
North Dakota:	
(FC) Forest River .....	+ 25,000
Ohio:	
(N) Cleveland Harbor .....	+ 189,000
Oregon:	
(N) Chetco River .....	+ 5,000
(FC) Luckiamute River .....	+ 40,000
(N) Umpqua River, mouth to Reedsport .....	+ 25,000
South Carolina:	
(N) Charleston Harbor .....	+ 55,000
(N) Georgetown Harbor .....	+ 20,000

## South Dakota:

(FC) Missouri River, S. Dak.,  
Neb., N. Dak., & Mont.-----<sup>1</sup> +90,000

## Texas:

(FC) Lower Rio Grande Valley----- +55,000

## Washington:

(FC) Columbia River and Trib-  
utaries, Wash., Oreg., Idaho,  
Mont., and Wyo.-----<sup>1</sup> +176,000

(FC) Colville River Basin----- +15,000

(FC) East Wenatchee----- +25,000

## West Virginia:

(FC) Metropolitan Region of  
Wheeling, W. Va., and Ohio----- +100,000

## Wisconsin:

(BE) Milwaukee County, Lake  
Michigan shoreline----- +59,000

Budget items not listed under  
States:

Fish and Wildlife Studies-----<sup>1</sup> +175,000

Coastal Engineering Research  
and Development Studies-----<sup>1</sup> +370,000

Civil Works Investigations-----<sup>1</sup> +236,000

<sup>1</sup> Increase in House bill figure.

The committee on conference directs the Corps to complete the Umpqua River navigation study in fiscal year 1974 if sufficient unused funds are available from appropriated funds for other navigation studies in Oregon.

Amendment No. 5: Provides limitation of \$1,175,000 as proposed by the Senate instead of \$1,000,000 as proposed by the House for studies, investigations, and reports as required by the Fish and Wildlife Coordination Act of 1958.

Construction, general, State and project		Budget estimate for fiscal year 1974		Reserve available for use in fiscal year 1974	Conference allowance	
		Construction	Planning		Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)
Alabama:						
(R)	John Hollis Bank lead lock and dam	\$15,900,000			\$15,900,000	
(MP)	Jones Bluff lock and dam	14,500,000		\$260,000	14,500,000	
(N)	Mobile Harbor, Theodore Channel			50,000		
(FC)	Montgomery			160,000		
(N)	Tennessee-Tombigbee Waterway, Ala. and Miss.	14,500,000		630,000	18,000,000	
	Tombigbee River and tributaries, Mississippi and Alabama. (See Mississippi.)					
	West Point Lake, Ala. and Ga. (See Georgia.)					
Alaska:						
(FC)	Chena River Lakes, Fairbanks	8,000,000			8,000,000	
(N)	Hoonah Harbor		75,000			75,000
(N)	Humboldt Harbor	\$400,000		79,000	400,000	
(N)	Kake Harbor			92,000		
(N)	Metlakatla Harbor		60,000			\$60,000
(MP)	Snettisham power project	2,000,000			2,000,000	
Arizona:						
(FC)	Gila River and tributaries, downstream from Painted Rock			83,000		
(FC)	Indian Bend Wash		50,000	175,000		50,000
(FC)	Phoenix and vicinity, including New River (Stage 1)	450,000			450,000	
(FC)	Phoenix and vicinity, including New River (Stage 2)			100,000		
(FC)	Santa Rosa Wash (Tat Momolikit Dam)	2,424,000			2,424,000	
Arkansas:						
(FC)	Bell Foley Lake		50,000	60,000		130,000
(MP)	De Gray Lake	500,000			500,000	
(FC)	De Queen Lake	1,850,000		691,000	1,850,000	
(FC)	Dierks Lake	900,000			900,000	
(FC)	Gillham Lake	2,200,000			2,200,000	
(N)	McClellan-Kerr Arkansas River navigation system, Arkansas and Oklahoma:					
	(a) Bank stabilization and channel rectification	570,000			570,000	
	(b) Navigation locks and dams	9,500,000			9,500,000	
(N)	Ouachita and Black Rivers, Ark. and La.	4,800,000			4,800,000	
(MP)	Ozark lock and dam	2,280,000			2,280,000	
(FC)	Pine Mountain Lake			56,000		
(FC)	Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex.	1,300,000			2,800,000	
(FC)	Village Creek, Jackson and Lawrence Counties			175,000		
California:						
(FC)	Alameda Creek, Del Valle Reservoir	490,000			490,000	
(N)	Bodega Bay			40,000		50,000
(FC)	Buchanan Lake	7,000,000			7,000,000	
(FC)	Butler Valley Dam-Blue Lake		492,000	200,000		492,000
(FC)	Chester, North Fork of Feather River		75,000			75,000
(FC)	Corte Madera Creek			153,000		
(FC)	Cucamonga Creek		398,000			398,000
(FC)	Dry Creek (Warm Springs) Lake and Channel	3,850,000			2,650,000	
(FC)	Fairfield vicinity streams		50,000	50,000		50,000
(FC)	Hidden Lake	8,000,000			8,000,000	
(N)	Humboldt Harbor and Bay			50,000		
(BE)	Imperial Beach	240,000			240,000	
(FC)	Lakeport Lake			80,000		
(FC)	Los Angeles County drainage area	100,000			100,000	
(FC)	Lytle and Warm Creeks	3,370,000			3,370,000	
(MP)	Marysville Lake			550,000		
(FC)	Merced County streams			150,000		
(FC)	Napa River			149,000		
(MP)	New Melones Lake	18,000,000			15,000,000	
(FC)	Oroville Reservoir			100,000		
(FC)	Pajaro River			210,000		
(FC)	Pine Flat Lake			73,000		
(N)	Port Hueme Harbor	250,000		400,000	250,000	
(FC)	Russian River Basin, Coyote Valley Dam and Russian River Channel			60,000		
(FC)	Sacramento River and major and minor tributaries			192,000		
(FC)	Sacramento River bank protection	1,400,000			1,400,000	
(FC)	Sacramento River Chico Landing to Red Bluff	420,000			420,000	
(N)	San Diego Harbor	400,000			400,000	
(FC)	San Diego River, Mission Valley			282,000		
(N)	San Francisco Bay to Stockton (John F. Baldwin and Stockton ship channels)	1,305,000			1,305,000	
(FC)	Santa Paula Creek channel			575,000		
(FC)	Sonoma Creek			170,000		
(FC)	Sweetwater River	2,300,000			2,300,000	
(FC)	Tahquitz Creek	300,000		265,000	(c)	
(FC)	University Wash and Spring Brook		20,000	100,000		20,000
(BE)	Ventura-Pierpoint area	135,000				
(FC)	Walnut Creek			915,000		
Colorado:						
(FC)	Bear Creek Lake	3,000,000			3,000,000	
(FC)	Boulder			133,000		
(FC)	Chatfield Lake	7,500,000			7,500,000	
(FC)	Las Animas	700,000		158,000	700,000	
(FC)	Trinidad Lake	6,400,000			6,400,000	
Connecticut:						
(FC)	Danbury				700,000	
(FC)	Park River		50,000	480,000		50,000
(FC)	Trumbull Lake			(c)		
Delaware:						
(N)	Delaware Bay—Chesapeake Bay Waterway in Del., Md., and Va.		75,000	180,000		75,000
(FC)	Delaware coast protection			217,000		
(N)	Inland waterway, Delaware River to Chesapeake Bay (Chesapeake and Delaware Canal), pt. II, Del., and Md.			3,185,000		

Footnotes at end of table.



Construction, general, State and project		Budget estimate for fiscal year 1974		Reserve available for use in fiscal year 1974	Conference allowance	
		Construction	Planning		Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)
Florida:						
(BE)	Brevard County	\$400,000		\$200,000	\$400,000	
(N)	Canaveral Harbor				125,000	
(FC)	Central and Southern Florida	2,600,000		1,745,000	855,000	
(FC)	Dade County		\$50,000	100,000		\$50,000
(FC)	Duval County			90,000		30,000
(FC)	Four Rivers Basins	1,500,000		861,000	1,500,000	
(N)	Gulf Intracoastal Waterway, St. Marks to Tampa Bay (ecological study and economic restudy)			148,000		
(N)	Jacksonville Harbor (1965 act)	3,000,000			3,000,000	
(N)	Miami Harbor	6,500,000			6,500,000	
(N)	Panama City Harbor			50,000		75,000
(BE)	Pinellas County	200,000		16,000	200,000	
(N)	Tampa Harbor (main channel only)		506,000	80,000		506,000
Georgia:						
(MP)	Carters Lake	14,500,000			14,500,000	
(MP)	Lazer Creek Lake			360,000		
(N)	Savannah Harbor, 40 feet (widening and deepening)	1,150,000			1,150,000	
(N)	Savannah Harbor (sediment basin)	1,200,000		1,188,000	1,200,000	
(MP)	Spewrell Bluff Lake			1,496,000		
(MP)	Trotters Shoals Lake, Georgia and South Carolina (land acquisition)			800,000		
(BE)	Tybee Island	536,000		80,000	536,000	
(MP)	West Point Lake, Ala. and Ga.	14,990,000			14,990,000	
Hawaii:						
(FC)	Iao Stream			165,000		
(FC)	Kanchoe-Kailua area		150,000	15,000		197,000
(N)	Waianae small boat harbor			120,000		
(BE)	Waikiki Beach	200,000			200,000	
Idaho:						
(MP)	Dworshak Dam and Reservoir	8,400,000		5,944,000	8,400,000	
(FC)	Ririe Lake	7,200,000		945,000	7,200,000	
(FC)	Weiser River (restudy)			19,000		
Illinois:						
(FC)	East Moline		50,000			50,000
(FC)	East St. Louis and vicinity—Cahokia Creek Low Dam	900,000			900,000	
(FC)	East St. Louis and vicinity (interior flood control)		600,000			1,200,000
(FC)	Fulton			70,000		
(FC)	Harrisonville and Ivy Landing Drainage and Levee District No. 2 (interior flood control)				75,000	
(FC)	Helm Lake			75,000		
(N)	Illinois Waterway, Calumet-Sag modification, pt. I, Illinois and Indiana	1,400,000		1,000,000	1,400,000	
(N)	Illinois Waterway, Calumet-Sag modification, pt. II, Illinois and Indiana			8,000		
(N)	Illinois Waterway, duplicate locks		249,000			249,000
(N)	Kaskaskia River navigation	8,700,000		1,200,000	8,700,000	
(BE)	Lake Bluff shore of Lake Michigan (reimbursement)	93,000			93,000	
(FC)	Lake Shelbyville	3,460,000			3,460,000	
(FC)	Levee District 23 (Dively), Kaskaskia River			200,000		
(FC)	Lincoln Lake	300,000		267,000	300,000	
(N)	Lock and dam 26, Mississippi River, Alton, Ill., and Mo.		746,000	795,000	100,000	1,400,000
(N)	Lock and dam 53 (temporary lock), Illinois and Kentucky			650,000	1,000,000	
(FC)	Louisville Lake		50,000	108,000		50,000
(N)	Mississippi River between Ohio and Missouri Rivers, Ill. and Mo.:					
	a) Chain of Rocks	4,100,000			4,100,000	
	b) Regulating works	2,600,000			3,500,000	
(FC)	Milan			15,000		
(FC)	Moline		50,000	20,000		50,000
(FC)	Peoria (inactive)			8,000		
(FC)	Rend Lake	2,430,000			2,430,000	
(FC)	Rock Island	1,500,000			1,500,000	
(FC)	Russell and Allison Levee (restudy)			15,000		
(FC)	Saline River and tributaries	1,340,000		272,000	1,340,000	
(N)	Smithland locks and dam, Illinois and Kentucky	25,500,000		1,000,000	25,500,000	
(FC)	William L. Springer Lake (formerly Oakley Lake) (land acquisition)	1,500,000			1,500,000	
Indiana:						
(FC)	Big Pine Lake (land acquisition)	200,000		64,000		
(FC)	Big Walnut Lake			78,000		100,000
(FC)	Brookville Lake	4,700,000			4,700,000	
(N)	Cannelton locks and dam, Indiana and Kentucky	2,800,000			2,800,000	
(FC)	Clifty Creek Lake (land acquisition)	200,000		70,000	200,000	
(FC)	Evansville	1,300,000		330,000	1,000,000	
(FC)	Greenfield Bayou Levee	200,000		300,000	200,000	
(FC)	Highland Lake (not authorized)		25,000			(-)
(FC)	Illinois Waterway, Calumet-Sag modification, pts. I and II, Illinois and Indiana. (See Illinois.)			444,000		
(FC)	Island Levee			183,000		
(FC)	Lafayette Lake			180,000		
(FC)	Levee Unit No. 5	500,000			500,000	
(FC)	Marion			30,000		
(FC)	Mason J. Niblack levee (pumping facilities)	160,000		235,000	160,000	
(FC)	Newburgh			60,000		
(N)	Newburgh locks and dam, Indiana and Kentucky	9,300,000			9,300,000	
(FC)	Patoka Lake	2,200,000			2,200,000	
(N)	Uniontown locks and dam, Indiana and Kentucky	14,700,000			14,700,000	
Iowa:						
(FC)	Bettendorf			80,000		
(FC)	Big Sioux River at Sioux City, Iowa and S. Dak.			83,000		
(FC)	Clinton	300,000		15,000	300,000	
(N)	Clinton small boat harbor					10,000
(FC)	Davenport		90,000	50,000		90,000
(FC)	Marshalltown	1,300,000		210,000	1,300,000	
(N)	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska	1,650,000			3,000,000	
(FC)	Saylorville Lake	12,400,000			12,400,000	
(FC)	Waterloo	1,300,000		850,000	1,300,000	
Kansas:						
(FC)	Arkansas—Red River basins chloride control, Texas, Oklahoma, and Kansas. (See Oklahoma.)					
(FC)	Big Hill Lake	500,000			500,000	
(FC)	Cedar Point Lake			140,000		80,000
(FC)	Clinton Lake	7,200,000			7,800,000	
(FC)	Dodge City	1,200,000		57,000	1,200,000	
(FC)	El Dorado Lake	2,000,000			2,000,000	
(FC)	El Dorado					50,000
(FC)	Great Bend			186,000		
(FC)	Grove Lake		227,000	137,000		227,000
(FC)	Hays, Big Creek	900,000			900,000	
(FC)	Hillsdale Lake	1,000,000		516,000	1,000,000	
(FC)	Kansas City, Kansas River, Kans. (1962 mod)	2,500,000			2,500,000	
(FC)	Lawrence	900,000			900,000	
(FC)	Marion		70,000			70,000

Footnotes at end of table.

Construction, general, State and project	(1)	Budget estimate for fiscal year 1974		Reserve available for use in fiscal year 1974	Conference allowance	
		Construction	Planning		Construction	Planning
		(2)	(3)	(4)	(5)	(6)
<b>Kansas—Continued</b>						
(FC) Melvern Lake		\$2,977,000			\$2,977,000	
(FC) Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)						
(FC) Onaga Lake			\$90,000	\$95,000		\$200,000
(FC) Perry Lake Area (road improvements)				100,000		
(FC) Winfield				40,000		
(FC) Wolf—Coffee Lake			120,000	53,000		120,000
<b>Kentucky:</b>						
(FC) Bonneville Lake			120,000	55,000		120,000
(FC) Cannelton locks and dam, Indiana and Kentucky. (See Indiana.)						
(FC) Carr Fork Lake		2,700,000			2,700,000	
(FC) Cave Run Lake		7,400,000		300,000	7,400,000	
(FC) Dayton				59,000		
(FC) Eagle Creek Lake			100,000	30,000		100,000
(FC) Falmouth Lake			40,000	50,000		100,000
(FC) Kehoe Lake			100,000	160,000		198,000
(MP) Laurel River Lake		3,100,000			3,100,000	
(FC) Lock and dam 53 (temporary lock). (See Illinois.)						
(FC) Martin				880,000		
(FC) Martins Fork Lake		1,700,000			2,400,000	
(FC) Newburgh locks and dam, Indiana and Kentucky. (See Indiana.)						
(FC) Newport-Wilder				50,000		
(FC) Paintsville Lake		1,720,000		300,000	1,720,000	
(FC) Red River Lake		300,000		390,000	300,000	
(FC) Smithland lock and dam, Illinois and Kentucky. (See Illinois.)						
(FC) Southwestern Jefferson County		500,000		181,000	500,000	
(FC) Taylorsville Lake		700,000		531,000	700,000	
(FC) Uniontown locks and dam, Indiana and Kentucky. (See Indiana.)						
(FC) Yatesville		600,000		300,000	600,000	
<b>Louisiana:</b>						
(N) Atchafalaya River, Bayous Chene, Bouef and Black		2,200,000			2,200,000	
(FC) Bayou Bodeau and tributaries				820,000		
(N) Bayou Lafourche and Lafourche Jump Waterway		950,000			950,000	
(FC) Grand Isle and vicinity Larose to Golden Meadow		800,000			800,000	
(FC) Lake Pontchartrain, and vicinity		6,400,000		2,600,000	6,400,000	
(N) Mermentau River (channel improvement)		600,000			600,000	
(N) Michoud Canal		750,000		630,000	750,000	
(N) Mississippi River, gulf outlet		1,600,000			1,600,000	
(N) Mississippi River outlets, Venice					250,000	
(FC) Morgan City and vicinity				650,000		
(FC) New Orleans to Venice hurricane protection		4,100,000		100,000	8,000,000	
(FC) Ouachita and Black Rivers, Ark. and La. (See Arkansas.)						
(FC) Ouachita River levees		400,000			400,000	
(N) Overton-Red River Waterway (lower 31 miles only)		720,000			720,000	
(N) Red River emergency bank protection		1,400,000			1,400,000	
(N) Red River Waterway, Mississippi River to Shreveport, La.		4,500,000		600,000	4,500,000	
(N) Red River Waterway, Shreveport, La. to Daingerfield, Tex. (economic restudy only)			45,000	25,000		\$45,000
(N) Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex. (See Arkansas.)						
(N) Vermilion lock (replacement)			100,000	100,000		100,000
<b>Maine:</b>						
(N) Frenchboro Harbor			25,000	60,000		25,000
<b>Maryland:</b>						
(FC) Bloomington Lake, Md. and W. Va.		13,600,000			13,600,000	
(N) Inland waterway, Delaware River to Chesapeake Bay, Del. and Md. (C. & D. Canal), pt. II. (See Delaware.)						
(N) Tred Avon River		395,000			395,000	
<b>Massachusetts:</b>						
(FC) Charles River Dam		6,900,000			6,900,000	
(N) Fall River Harbor, Mass. and R.I.		2,000,000		1,490,000	2,000,000	
(FC) Nookagee Lake				90,000		
(BE) Revere Beach			50,000			50,000
(FC) Saxonville			68,000	100,000		68,000
(N) Weymouth Fore and Town Rivers		2,700,000			3,700,000	
<b>Michigan:</b>						
(N) Cedar River Harbor				8,000		
(N) Great Lakes Connecting Channels		850,000			850,000	
(N) Lexington Harbor		200,000		75,000	200,000	
(N) Ludington Harbor			60,000	40,000		60,000
(FC) River Rouge		4,200,000		550,000	4,200,000	
(FC) Saginaw River (flood control)		1,700,000			1,700,000	
(N) Tawas Bay Harbor			20,000	40,000		20,000
<b>Minnesota:</b>						
(N) Beaver Bay Harbor				50,000		
(FC) Big Stone Lake-Whetstone River, Minn. and S. Dak.		1,500,000			1,500,000	
(N) Lutsen Harbor				50,000		
(FC) Mankato and North Mankato		3,250,000			3,250,000	
(FC) Warroad River Bull Dog Creek			30,000	30,000		30,000
(FC) Wild Rice River-South Branch and Felton Ditch			50,000	40,000		70,000
(FC) Winona						
<b>Mississippi:</b>						
(FC) Edinburg Dam and Lake (not authorized)			25,000	75,000		(*)
(FC) Tallahala Creek Lake				350,000		
(FC) Tennessee-Tombigbee Waterway, Ala. and Miss. (See Alabama.)						
(FC) Tombigbee River and tributaries, Mississippi and Alabama		1,700,000		200,000	700,000	
<b>Missouri:</b>						
(FC) Blue River Channel, Kansas City, Mo.			15,000	40,000		15,000
(FC) Brookfield Lake				125,000		
(MP) Clarence Cannon Dam and Reservoir		16,400,000			16,400,000	
(MP) Harry S. Truman Dam and Reservoir		27,500,000			27,500,000	
(FC) Little Blue River Channel		700,000		100,000	845,000	
(FC) Little Blue River Lakes (land acquisition)		2,500,000			2,500,000	
(FC) Lock and dam 26, Alton, Ill. and Mo. (See Illinois.)						
(FC) Long Branch Lake		1,000,000		425,000	1,200,000	
(FC) Meramec Park Lake		3,000,000		200,000	3,000,000	
(FC) Mercer Lake			50,000	115,000		50,000
(FC) Mississippi River Agricultural Area No. 8 (Elsberry drainage district)				50,000		100,000
(FC) Mississippi River between Ohio and Missouri Rivers, Ill. and Mo. (See Illinois.)						
(FC) Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)						
(FC) Pattonsburg Lake—Highway I-35 Crossing		500,000			500,000	
(FC) Pattonsburg Lake (town relocation only)				49,000		
(FC) Perry County Drainage Districts Nos. 1, 2, and 3						80,000
(FC) St. Louis		1,170,000			1,170,000	
(FC) Smithville Lake		1,700,000		430,000	4,000,000	
(FC) Union Lake State Highway 185 Bridge Relocation (advance participation)		700,000		190,000	700,000	

Footnotes at end of table.



Construction, general, State and project	(1)	Budget estimate for fiscal year 1974		Reserve available for use in fiscal year 1974	Conference allowance	
		Construction	Planning		Construction	Planning
		(2)	(3)	(4)	(5)	(6)
Montana:						
(FC) Frazer-Wolf Point bank stabilization						\$25,000
(MP) Libby Dam-Lake Koocanusa		\$30,400,000			\$30,400,000	
(MP) Libby Dam-Lake Koocanusa (additional units and reregulating dam)			\$400,000	\$290,000		400,000
Nebraska:						
(MP) Gavins Point Dam Lewis and Clark Lake (relocation of Niobrara, Nebr., and S. Dak. Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)		1,200,000			1,200,000	
(FC) Papillion Creek and tributaries		3,500,000			5,200,000	
Nevada:						
(FC) Gleason Creek Dam			40,000			40,000
(FC) Humboldt River and tributaries				100,000		
New Hampshire:						
(FC) Beaver Brook Lake		100,000		(C)	(C)	
New Jersey:						
(N) Corsons Inlet and Ludlam Beach						65,000
(FC) Elizabeth		1,550,000			1,550,000	
(N) Great Egg Harbor Inlet and Peek Beach			75,000	50,000		75,000
(N) Newark Bay, Hackensack, and Passaic Rivers		1,940,000			1,940,000	
(N) Shrewsbury River				4,000		
(FC) South Orange, Rahway River		1,700,000			1,700,000	
(FC) Tocks Island Lake, Pa., N.J., and N.Y. (See Pennsylvania.)						
New Mexico:						
(FC) Alamogordo Diversion Channel			75,000			75,000
(FC) Cochiti Lake		16,400,000			16,400,000	
(FC) Las Cruces		1,400,000			1,400,000	
New York:						
(FC) Allegany				30,000		
(N) Cattaraugus Harbor			50,000	60,000		50,000
(N) East River Spur Channel				30,000	100,000	
(FC) East Rockaway Inlet to Rockaway Inlet and Jamaica Bay			175,000	50,000		175,000
(N) Hamlin Beach Harbor				85,000		
(N) Moriches Inlet				55,000		
(N) New York Harbor (anchorage)		2,800,000			2,800,000	
(FC) Red Creek				27,000		
(FC) Seaquaqua Creek			40,000	20,000		40,000
(FC) Tocks Island Lake, Pa., N.J., and N.Y. (See Pennsylvania.)						
(FC) Yonkers				50,000	200,000	
North Carolina:						
(N) Atlantic Intracoastal Waterway, bridges			150,000		150,000	150,000
(FC) Brunswick County beaches		335,000		50,000	335,000	
(N) Chowan River, N.C., and Blackwater River, Va.		412,000			442,000	
(FC) Falls Lake				3,459,000		
(FC) Howards Mill Lake			47,000	55,000		47,000
(N) Manteo (Shallowbag) Bay						60,000
(N) Morehead City Harbor (1970 act)				27,000		
(FC) New Hope Lake		7,150,000			3,200,000	
(FC) Ocracoke Island				55,000		
(FC) Pembroke Creek						35,000
(FC) Randleman Lake				460,000		
(FC) Reddies River Lake			130,000	25,000		258,000
North Dakota:						
(FC) Burlington Dam			50,000	140,000		150,000
(MP) Eagle Bay and Fort Yates Highway bridges			192,000	34,000		192,000
(MP) Garrison Dam—Lake Sakakawea		100,000			100,000	
(FC) Minot		2,000,000			2,000,000	
(FC) Missouri River, Garrison Dam to Lake Oahe		380,000			380,000	
(FC) Oahe Dam-Lake Oahe, S. Dak. and N. Dak. (See South Dakota.)						
(FC) Pipestem Lake		2,300,000			2,400,000	
Ohio:						
(FC) Alum Creek Lake		6,000,000			6,000,000	
(FC) Caesar Creek Lake		9,000,000			9,000,000	
(FC) Chillicothe			77,000			150,000
(FC) Clarence J. Brown Dam and Reservoir		2,400,000		422,000	2,400,000	
(FC) Cuyahoga River Basin		100,000		65,000	100,000	
(FC) East Fork Lake		3,200,000			3,200,000	
(FC) Eastlake, Chagrin River				10,000		130,000
(N) Hannibal locks and dam, Ohio and West Virginia		8,450,000			8,450,000	
(N) Huron Harbor (channel deepening only)			40,000	50,000		40,000
(BE) Lakeview Park, Lorain				90,000		
(N) Lorain Harbor		1,067,000			1,067,000	
(FC) Mill Creek			100,000	100,000		200,000
(FC) Mill Creek Lake				30,000		
(FC) Newark				80,000		
(FC) Paint Creek Lake		1,200,000			1,200,000	
(FC) Point Place			30,000			30,000
(FC) Salt Creek Lake (land acquisition)		50,000		100,000	(C)	
(FC) Utica Lake			40,000	180,000		
(N) Willow Island locks and dam, Ohio and West Virginia		10,900,000			10,900,000	
Oklahoma:						
(FC) Arcadia Lake			93,000	10,000		170,000
(FC) Arkansas-Red Basins chloride control, Oklahoma, Texas, and Kansas			300,000	400,000		800,000
(FC) Arkansas-Red Basins chloride control, supplemental studies, Oklahoma, Texas, and Kansas				30,000		
(FC) Birch Lake		1,050,000			1,050,000	
(FC) Candy Lake			139,000			139,000
(FC) Clayton Lake		600,000		350,000	1,000,000	
(FC) Copan Lake		1,560,000		466,000	1,560,000	
(FC) Hugo Lake		2,800,000			4,000,000	
(FC) Kaw Lake		20,700,000			20,700,000	
(FC) Lufata Lake				450,000		
(FC) McClellan-Kerr Arkansas River navigation system, Arkansas and Oklahoma. (See Arkansas.)						
(FC) Optima Lake		2,480,000			2,480,000	
(FC) Skiatook Lake		1,000,000		275,000	1,500,000	
(FC) Waurika Lake		7,400,000			7,400,000	
(MP) Webbers Falls lock and dam		600,000		408,000	600,000	
Oregon:						
(FC) Applegate Lake (land acquisition)				(C)		
(MP) Bonneville lock and dam (mod. for peaking), Oregon and Washington		7,400,000		2,142,000	7,400,000	
(MP) Bonneville lock and dam (2d powerhouse)					3,000,000	
(FC) Catherine Creek Lake		700,000		400,000	700,000	
(N) Columbia River and lower Willamette River, 35- and 40-foot projects, Oregon and Washington		1,800,000			1,800,000	
(N) Coos Bay				50,000		150,000

Footnotes at end of table.

Construction, general, State and project	(1)	Budget estimate for fiscal year 1974		Reserve available for use in fiscal year 1974	Conference allowance	
		Construction	Planning		Construction	Planning
		(2)	(3)	(4)	(5)	(6)
<b>Oregon—Continued</b>						
(MP) Cougar Lake		\$1,400,000			\$1,400,000	
(FC) Elk Creek Lake		1,100,000			1,100,000	
(MP) John Day lock and dam, Oregon and Washington		7,475,000		\$1,445,000	7,475,000	
(MP) Lost Creek Lake		35,600,000			35,600,000	
(FC) Lower Columbia River bank protection, Oregon		700,000			700,000	
(MP) McNary lock and dam, Oregon and Washington		2,500,000			2,500,000	
(FC) Scappoose Drainage District		100,000		100,000	100,000	
(N) The Dalles lock and dam, Washington and Oregon (additional power units). (See Washington.)						
(N) Tillamook Bay and Bar (South Jetty)		2,400,000			2,400,000	
(FC) Willamette River Basin bank protection		450,000			700,000	
(FC) Willow Creek Lake				220,000	450,000	
<b>Pennsylvania:</b>						
(FC) Blue Marsh Lake		3,600,000			3,600,000	
(FC) Chartiers Creek		2,900,000			2,900,000	
(FC) Cowanesque Lake		2,700,000			2,700,000	
(FC) DuBois		1,800,000			1,800,000	
(FC) Raystown Lake		4,900,000			4,900,000	
(FC) Tioga-Hammond Lakes		16,730,000			16,730,000	
(MP) Tocks Island Lake, Pa., N.J., and N.Y.		5,100,000		3,000,000	5,100,000	
(FC) Tyrone		800,000			800,000	
(FC) Union City Lake		500,000			500,000	
(FC) Woodcock Creek Lake		1,468,000			1,468,000	
<b>Puerto Rico:</b>						
(FC) Portugues and Bucana Rivers (Lago de Cerrillos; Lago de Portugues and Ponce)		800,000				
<b>Rhode Island:</b>						
(N) Fall River Harbor, Mass. and R.I. (See Mass.)						
(N) Providence River and Harbor		1,300,000			1,300,000	
<b>South Carolina:</b>						
(N) Cooper River-Charleston Harbor			450,000	45,000		\$352,000
(BE) Hunting Island Creek		610,000			610,000	
(N) Little River Inlet, S.C., and N.C.			75,000			75,000
(N) Murrells Inlet				70,000		80,000
(FC) Reedy River				60,000		
(FC) Trotters Shoals Lake, Georgia and South Carolina. (See Georgia.)						
<b>South Dakota:</b>						
(MP) Big Bend Dam-Lake Sharpe		650,000		70,000	650,000	
(MP) Big Sioux River at Sioux City, Iowa and S. Dak. (See Iowa.)						
(MP) Big Stone Lake-Whetstone River, Minn. and S. Dak. (See Minnesota.)						
(MP) Gavins Point Dam-Lewis and Clark Lake (relocation of Niobrara Nebraska) Nebr. and S. Dak. (See Nebraska.)						
(MP) Oahe Dam-Lake Oahe, S. Dak. and N. Dak.		500,000			500,000	
<b>Tennessee:</b>						
(MP) Cordell Hull Dam and Reservoir		2,200,000			3,700,000	
<b>Texas:</b>						
(FC) Aquilla Lake			100,000			250,000
(FC) Arkansas Red Basins chloride control, Tex., Okla., and Kans. (See Oklahoma.)						
(FC) Aubrey Lake			150,000			277,000
(FC) Big Pine Lake			100,000			100,000
(FC) Buffalo Bayou and tributaries		500,000		357,000	500,000	
(FC) Carl L. Estes Dam and Lake (Mineola)			100,000	100,000		200,000
(FC) Clear Creek			50,000	75,000		50,000
(FC) Cooper Lake and channels		1,800,000			1,800,000	
(BE) Corpus Christi Beach		3,100,000			3,550,000	
(N) Corpus Christi ship channel		700,000			1,450,000	
(FC) Duck Creek channel improvement		1,600,000		430,000	1,600,000	
(FC) El Paso		700,000			1,200,000	
(FC) Freeport and vicinity, hurricane flood protection				170,000		
(N) Freeport Harbor (1970 act)			50,000	100,000		100,000
(N) Galveston Channel, 40 feet (1971 act)		920,000		230,000	920,000	
(FC) Guadalupe River (remove log jams)					100,000	
(FC) Highland Bayou		1,240,000			1,240,000	
(FC) Lake Brownwood modification			40,000	80,000		40,000
(FC) Lavon Lake modification and East Fork Channel improvement		8,800,000		150,000	8,800,000	
(FC) Millican Lake, Navasota River			200,000	100,000		200,000
(N) Mouth of Colorado River				100,000		
(FC) Pecos and vicinity				140,000		
(FC) Peyton Creek			50,000			50,000
(FC) Port Arthur and vicinity, hurricane flood protection		2,100,000		1,028,000	2,100,000	
(FC) Red River levees and bank stabilization, below Denison Dam, Ark., La., and Tex. (See Arkansas.)						
(FC) San Antonio Channel improvement		1,000,000			1,000,000	
(FC) San Gabriel River		3,800,000		197,000	6,800,000	
(FC) Taylors Bayou		500,000			1,200,000	
(FC) Texas City and vicinity, hurricane flood protection		2,000,000		240,000	2,000,000	
(N) Texas City Channel (industrial canal)						40,000
(N) Trinity River and tributaries, advance participation on high level bridges		740,000		200,000	740,000	
(N) Trinity River project			634,000	452,000		634,000
(N) Wallisville Lake		3,100,000		500,000	3,100,000	
<b>Utah:</b>						
(FC) Little Dell Lake			497,000	150,000		497,000
(FC) Weber River and tributaries				26,000		
<b>Virginia:</b>						
(FC) Four Mile Run, City of Alexandria, and Arlington County		2,250,000			2,250,000	
(FC) Gathright Lake		3,690,000			3,690,000	
(MP) Salem Church Lake			400,000	400,000		400,000
(BE) Virginia Beach (reimbursement)		450,000			450,000	
(FC) Virginia Beach (not authorized)			75,000			(c)
<b>Washington:</b>						
(MP) Bonneville lock and dam, Oregon and Washington (See Oregon.)						
(MP) Chief Joseph Dam, Rufus Woods Lake (additional units)		10,000,000		356,000	10,000,000	
(MP) Columbia River and lower Willamette River, 35-40-foot projects, Oregon and Washington. (See Oregon.)						
(MP) Ice Harbor lock and dam, Lake Sacajawea (additional generating units)		11,500,000		1,377,000	11,500,000	
(MP) John Day lock and dam, Oregon and Washington. (See Oregon.)						
(MP) Little Goose lock and dam—Lake Bryan (additional units)				10,000	450,000	
(MP) Lower Columbia River bank protection, Oregon and Washington. (See Oregon.)						
(MP) Lower Granite lock and dam (additional units)		55,000,000		7,011,000	55,000,000	
(MP) Lower Monumental lock and dam		1,231,000		1,690,000	3,156,000	
(MP) McNary lock and dam, Oregon and Washington. (See Oregon.)						
(MP) The Dalles lock and dam, Washington and Oregon (additional power units)		2,200,000			2,200,000	
(FC) Vancouver Lake				(c)		
(FC) Wahkaikum County Consolidated Diking District No. 1				200,000		
(FC) Wenatchee, Canyons 1 and 2			76,000	15,000		76,000
(FC) Zintel Canyon				80,000		

Footnotes at end of table.



Construction, general, State and project	(1)	Budget estimate for fiscal year 1974		Reserve available for use in fiscal year 1974	Conference allowance	
		Construction	Planning		Construction	Planning
		(2)	(3)	(4)	(5)	(6)
West Virginia:						
(FC) Beech Fork Lake		\$3,700,000			\$4,200,000	
(FC) Bloomington Lake, Md. and W. Va. (See Maryland.)						
(FC) Burnsville Lake		3,700,000		\$300,000	3,700,000	
(FC) East Lynn Lake		250,000			250,000	
(FC) Hannibal locks and dam, Ohio and West Virginia. (See Ohio.)						
(FC) Leading Creek Lake			\$70,000	60,000		\$70,000
(FC) Panther Creek Lake				100,000		
(FC) R. D. Bailey Lake		15,400,000			15,400,000	
(FC) Rowlesburg Lake				140,000		
(FC) Stonewall Jackson Lake				1,900,000		
(FC) West Fork Lake				150,000		
(FC) Williamson Matewan (conditionally authorized)				150,000		
(FC) Willow Island lock and dam, Ohio and West Virginia. (See Ohio.)						
Wisconsin:						
(FC) La Farge Lake and Channel Improvement		2,800,000			2,800,000	
(FC) State Road and Ebner Coulees						60,000
Wyoming:						
(FC) Sheridan		139,000			139,000	
Miscellaneous:						
(FC) Small projects for flood control and related purposes not requiring specific legislation costing up to \$1,000,000 (sec. 205).				4,301,000		
(FC) Emergency bank protection		650,000			650,000	
(FC) Snagging and clearing		250,000			250,000	
(FC) Recreation facilities, at completed projects		8,800,000			12,400,000	
Fish and wildlife studies (U.S. Fish and Wildlife Service)		1,100,000			1,100,000	
Aquatic plant control (1965 act)		1,500,000			1,500,000	
Employees compensation		1,608,000			1,608,000	
Reduction for anticipated savings and slippages		-45,759,000	-500,000		-45,759,000	-500,000
General reduction based on anticipated delays and carryover balances					-14,863,000	
Undistributed O.M.B. reserve				152,000		
Grand total, construction, general		848,591,000	9,926,000	90,499,000	859,268,000	14,321,000
		(858,517,000)			(873,589,000)	

<sup>1</sup> Reduction reflects revised capability of Corps based on unanticipated delays.

<sup>2</sup> Reduction reflects lack of project authorization.

<sup>3</sup> Reduction reflects requirement for additional authorization prior to initiation of land acquisition.

#### CONSTRUCTION, GENERAL

Amendment No. 6: Appropriates \$873,589,000 instead of \$864,589,000 as proposed by the House and \$874,487,000 as proposed by the Senate.

The funds appropriated under this heading are to be allocated as shown in the following tabulation:

**Lukfata Lake, Oklahoma**—The managers agree that, within available funds, the Corps should proceed with the planning for the construction of the Lukfata Lake, Oklahoma project at the alternative site.

**General**—The managers direct the Corps of Engineers to participate with the Environmental Protection Agency and the Council on Environmental Quality to work on potential problem areas to avoid unnecessary delays on projects.

**Lower Monumental lock and dam (additional units) Washington**—The managers agree that funds may be allocated to planning for the Lower Monumental lock and dam (additional units) in the state of Washington if funds are available from savings in other projects in that state.

#### FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

Amendment No. 7: Appropriates \$150,000,000 as proposed by the Senate instead of \$139,000,000 as proposed by the House. The changes provided from the House bill are allocated as follows:

1. General investigation:	
Yazoo Basin (reports review)	+ \$100,000
2. Construction and planning:	
Mississippi River Levees	+ 5,150,000
St. Francis Basin	+ 1,500,000
Reelfoot Lake—Lake No. 9	+ 100,000
West Tennessee Tributaries	- 1,050,000
Tensas Basin—Red River	
Backwater	+ 2,700,000
Yazoo Basin:	
Enid Lake	+ 20,000
Grenada Lake	+ 40,000
Sardis Lake	+ 50,000
Tributaries	+ 590,000

Big Sunflower River (including Steele Bayou)	+ 475,000
Yazoo Backwater	+ 1,325,000

Subtotal, planning and construction 10,900,000

Total increase +11,000,000

The Managers are agreed that funds for the St. Francis Basin Project should be allocated in accordance with current construction priorities.

The Managers again direct the Corps to proceed with the Upper Auxiliary Channel, or alternative means of drainage, and the Ascalmore-Tippo and Opposum Bayou Projects. It is noted that this year's flood waters would have been approximately six feet lower had these projects been completed.

#### OPERATION AND MAINTENANCE, GENERAL

Amendment No. 8: Appropriates \$409,125,000 instead of \$403,625,000 as proposed by the House and \$414,625,000 as proposed by the Senate. The increase over the House bill provides \$2,500,000 for the Diked Disposal Program; \$600,000 for the Dredged Material Disposal study and \$2,400,000 for the general reduction for slippage.

#### FLOOD CONTROL AND COASTAL EMERGENCIES

The managers direct the Corps to use currently available funds for repair and restoration of flood control works damaged in the recent Mississippi River floods. The Committee further directs the Corps and other appropriate agencies of the Executive Branch to prepare and submit, on an urgent basis, an estimate of the 1974 fund requirements related to the damage caused by the floods.

#### SPECIAL RECREATION USE FEES

Amendment No. 9: Appropriates \$700,000 as proposed by the Senate instead of \$1,000,000 as proposed by the House. It is estimated that the Corps collected \$700,000 in user fees in fiscal year 1973.

#### REVOLVING FUND

The managers agree that the moratorium placed on all proposed plans for replacement or modification of dredges which are not

presently under contract, including hopper dredges, pending a comprehensive study, should continue except for the dredge Pacific. The managers concur in the Senate position on the dredge Pacific.

#### TITLE III—DEPARTMENT OF INTERIOR

##### GENERAL INVESTIGATIONS

Amendment No. 10: Appropriates \$16,850,000 instead of \$15,880,000 as proposed by the House and \$17,350,000 as proposed by the Senate. The increase provided over the House bill amount includes the following:

Nebraska, Highland Unit	\$130,000
New Mexico, Elephant Butte Irrigation District	40,000
Oregon, Rouge River Basin, Grants Pass Division	25,000
Washington, Central Washington, East Bank Area	100,000
Wyoming, Sublette	100,000
Atmospheric Water Resources management Program	250,000
Water Resources Planning and Engineering Research	75,000
Regional Planning Service	250,000

#### CONSTRUCTION AND REHABILITATION

Amendment No. 11: Appropriates \$194,275,000 instead of \$184,360,000 as proposed by the House and \$196,065,000 as proposed by the Senate. The increase provided over the House bill amount is allocated as follows:

California:	
Central Valley project:	
Sacramento River Division	\$1,000,000
San Luis unit:	
Westlands distribution and drainage system	\$1,500,000
All other San Luis unit facilities	1,000,000
Auburn-Folsom South unit—Folsom South Canal	100,000
Idaho:	
Teton Basin Project—Lower Teton Division	300,000
New Mexico:	
Brantley Dam project	325,000
Oregon:	
Tualatin project	200,000

## Washington:

Columbia Basin Project—third powerplant	4,000,000
Recreation facilities at existing reservoirs	100,000
Pick-Sloan Missouri Basin Program:	
Colorado—Narrows Unit	1,000,000
North Dakota—Garrison diversion unit	390,000

## UPPER COLORADO RIVER STORAGE PROJECT

Amendment No. 12: Appropriates \$25,026,000 instead of \$24,526,000 as proposed by the House and \$26,903,000 as proposed by the Senate. The increase of \$500,000 provided over the House bill amount is applied to the Central Utah project—Bonneville Unit.

Amendment No. 13: Approves limitation of \$24,426,000 instead of \$23,926,000 as provided by the House and \$26,303,000 as provided by the Senate for the Upper Colorado River Basin Fund.

## LOAN PROGRAM

Amendment No. 14: Appropriates \$18,422,000 as proposed by the Senate instead of \$18,372,000 as proposed by the House. The increase of \$50,000 provided over the House bill is for the Pond Poso Improvement District, California.

## EMERGENCY FUND

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which will enable the Post Falls Irrigation District, Rathdrum Prairie Project, Idaho to receive emergency funds.

## TITLE V—GENERAL PROVISIONS

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which will permit appropriations contained in the Second Supplemental Appropriations Act, 1973 (Public Law 92-50) to remain available for obligation for a period of 20 days following enactment of this Act. This will allow the appropriations to be used only for those purposes originally contemplated in that legislation and is needed because it was not signed into law until July 1, 1973.

## CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to fiscal year 1973 amount, to the 1974 budget estimate and to the House and Senate bills for 1974 follows:

New budget (obligational) authority, fiscal year 1973	Amounts \$5,658,156,000
Budget estimates of new (obligational) authority, fiscal year 1974	4,757,469,000
House bill, fiscal year 1974	4,676,395,000
Senate bill, fiscal year 1974	4,772,982,000
Conference agreement, fiscal year 1974	4,749,403,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1973	-908,753,000
Budget estimate of new (obligational) authority, fiscal year 1974	-8,066,000
House bill, fiscal year 1974	+73,008,000
Senate bill, fiscal year 1974	-23,579,000

JOE L. EVINS,

EDWARD P. BOLAND,

JAMIE L. WHITTEN,

JOHN M. SLACK,

OTTO E. PASSEMAN,

GEORGE MAHON,

JOHN J. RHODES,

GLENN R. DAVIS,

HOWARD W. ROBISON,

ELFORD A. CEDERBERG,

Managers on the Part of the House.

ALAN BIBLE,

JOHN L. MCCLELLAN,

WARREN G. MAGNUSON,

ROBERT C. BYRD,

JOHN O. PASTORE,

GALE W. MCGEE,

JOSEPH M. MONTOYA,

MARK O. HATFIELD,

MILTON R. YOUNG,

ROMAN L. HRUSKA,

CLIFFORD P. CASE,

TED STEVENS,

RICHARD S. SCHWEIKER,

HENRY BELLMON,

JENNINGS RANDOLPH,

Managers on the Part of the Senate.

# PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORTS, UNTIL MIDNIGHT SATURDAY

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight Saturday, July 28, to file certain reports on H.R. 37, to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are threatened with extinction or likely with the foreseeable future to become threatened with extinction, and for other purposes.

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

Mr. RHODES. Mr. Speaker, reserving the right to object, was there a unanimous vote in committee?

Mr. DINGELL. Mr. Speaker, the bill was reported unanimously by the subcommittee; unanimously by the full committee, and the unanimous-consent request is being made at this time and has been cleared with the senior member of the committee.

Mr. RHODES. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

## PERSONAL EXPLANATION

Mr. RANGEL. Mr. Speaker, on roll-call No. 386 today, I am recorded as not voting. I was present and voted "aye."

# AUTHORIZING SPEAKER TO RECOGNIZE FOR A MOTION TO SUSPEND RULES ON H.R. 9474, NEXT WEEK

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that it may be in order at any time next week for the Speaker to recognize for a motion to suspend the rules and pass the bill H.R. 9474, as amended.

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

There was no objection.

# CONFERENCE REPORT ON H.R. 8510, A NATIONAL SCIENCE FOUNDATION AUTHORIZATION

Mr. TEAGUE of Texas submitted the following conference report and statement on the bill (H.R. 8510) to authorize appropriations for activities of the National Science Foundation, and for other purposes:

## CONFERENCE REPORT (H. REPT. NO. 93-408)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8510) to authorize appropriations for activities of the National Science Foundation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That there is hereby authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1974, for the following categories:

(1) Scientific Research Project Support, \$285,000,000.

(2) National and Special Research Programs, \$105,600,000.

(3) National Research Centers, \$46,000,000.

(4) Computing Activities in Education and Research, \$8,200,000.

(5) Science Information Activities, \$8,300,000.

(6) International Cooperative Scientific Activities, \$6,200,000.

(7) Research Applied to National Needs, \$91,000,000.

(8) Intergovernmental Science Program, \$1,000,000.

(9) Institutional Improvement for Science, \$2,000,000.

(10) Graduate Student Support, \$11,500,000.

(11) Science Education Improvement, \$35,200,000.

(12) Planning and Policy Studies, \$2,600,000.

(13) Program Development and Management, \$30,000,000.

Sec. 2. (a) Any amounts which were authorized and appropriated to the National Science Foundation for the fiscal year ending June 30, 1973, or any prior fiscal year, but which remained unobligated as of the close of the fiscal year ending June 30, 1973, shall be merged with and added to the amounts authorized by section 1 of this Act.

(b) Notwithstanding any other provision of this or any other Act—

(1) of the total amount authorized for the purpose of "National and Special Research Programs" under category (2) of section 1 and subsection (a) of this section, not less than \$6,000,000 shall be available for oceanography-related programs, including ship construction/conversion;

(2) of the total amount authorized for the purpose of "Research Applied to National Needs" under category (7) of section 1 and subsection (a) of this section, not less than \$25,000,000 shall be available for energy research and technology programs, including but not limited to solar, geothermal, and other nonconventional energy sources, and not less than \$8,000,000 shall be available for earthquake engineering programs;

(3) of the total amount authorized under section 1 and subsection (a) of this section, not less than \$10,000,000 shall be available for the purpose of "Institutional Improvement for Science";

(4) of the total amount authorized under section 1 and subsection (a) of this section, not less than \$13,000,000 shall be available for the purpose of "Graduate Student Support"; and

(5) of the total amount authorized under section 1 and subsection (a) of this section, not less than \$67,500,000 shall be available for the purpose of "Science Education Improvement".

Sec. 3. Appropriations made pursuant to this Act may be used, but not to exceed \$5,000, for official consultation, representation, or other extraordinary expenses upon



the approval or authority of the Director of the National Science Foundation, and his determination shall be final and conclusive upon the accounting officers of the Government.

Sec. 4. In addition to such sums as are authorized by the preceding provisions of this Act, not to exceed \$3,000,000 is authorized to be appropriated for the fiscal year ending June 30, 1974, for expenses of the National Science Foundation incurred outside the United States to be paid in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States.

Sec. 5. Appropriations made pursuant to authority provided in sections 1, 3, and 4, shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

Sec. 6. No funds may be transferred from any particular category listed in section 1 to any other category or categories listed in such section if the total of the funds so transferred from that particular category would exceed 10 per centum thereof, and no funds may be transferred to any particular category listed in section 1 from any other category or categories listed in such section if the total of the funds so transferred to that particular category would exceed 10 per centum thereof, unless—

(A) a period of thirty legislative days (or forty-five calendar days, when Congress is in adjournment sine die) has passed after the Director or his designee has transmitted to the Speaker of the House of Representatives and the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate a written report containing a full and complete statement concerning the nature of the transfer and the reason therefor, or

(B) each such committee before the expiration of such period has transmitted to the Director written notice to the effect that such committee has no objection to the proposed action.

Sec. 7. (a) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has been convicted by any court of record of any crime which was committed after the date of enactment of this Act and which involved the use of (or assistance to others in the use of) force, disruption, or the seizure of property under control of any institution of higher education to prevent officials or students in such institutions from engaging in their duties or pursuing their studies, and that such crime was of a serious nature and contributed to a substantial disruption of the administration of the institution with respect to which such crime was committed, then the institution which such individual attends, or is employed by, shall deny for a period of two years any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c). If an institution denies an individual assistance under the authority of the preceding sentence of this subsection, then any institution which such individual subsequently attends shall deny for the remainder of the two-year period any further payment to, or for the direct benefit, of such individual under any of the programs specified in subsection (c).

(b) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has willfully refused to obey a lawful regulation or order of such institution after the date of enactment of this Act, and that such refusal was of a serious nature and contributed to a substantial disruption of the administration of such

institution, then such institution shall deny, for a period of two years, any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(c) The programs referred to in subsections (a) and (b) are as follows:

(1) The programs authorized by the National Science Foundation Act of 1950; and

(2) The programs authorized under title IX of the National Defense Education Act of 1958 relating to establishing the Science Information Service.

(d) (1) Nothing in this Act, or any Act amended by this Act, shall be construed to prohibit any institution of higher education from refusing to award, continue, or extend any financial assistance under any such Act to any individual because of any misconduct which in its judgment bears adversely on his fitness for such assistance.

(2) Nothing in this section shall be construed as limiting or prejudicing the rights and prerogatives of any institution of higher education to institute and carry out an independent, disciplinary proceeding pursuant to existing authority, practice, and law.

(3) Nothing in this section shall be construed to limit the freedom of any student to verbal expression of individual views or opinions.

Sec. 8. The amount available for the oceanographic ship construction conversion program from the sum stipulated (for the purpose of "National and Special Research Programs") in category (2) of section 1 of Public Law 92-372 shall, after the date of the enactment of this Act, be determined without regard to section 2(a) of such Public Law.

Sec. 9. Notwithstanding any other provision of this or any other Act, the Director of the National Science Foundation shall keep the Committee on Science and Astronautics of the House of Representatives and the Committee on Labor and Public Welfare of the Senate fully and currently informed with respect to all the activities of the National Science Foundation.

Sec. 10. No funds—

(1) authorized to be appropriated under this Act to the National Science Foundation for fiscal year ending June 30, 1974, or

(2) heretofore appropriated to the National Science Foundation and remaining available to it for obligation and expenditure, may be used to conduct or support research in the United States or abroad on a human fetus which is outside the womb of its mother and which has a beating heart.

Sec. 11. This Act may be cited as the "National Science Foundation Authorization Act, 1974".

And the Senate agree to the same.

OLIN E. TEAGUE,  
JOHN W. DAVIS,  
JAMES W. SYMINGTON,  
RICHARD T. HANNA,  
CHARLES A. MOSHER,  
ALPHONZO BELL,  
JOHN W. WYDLER,

Managers on the Part of the House.

EDWARD M. KENNEDY,  
CLAIBORNE PELL,  
THOMAS F. EAGLETON,  
ALAN CRANSTON,  
WALTER F. MONDALE,  
PETER H. DOMINICK,  
ROBERT T. STAFFORD,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8510) to authorize appropriations for activities of the National Science Foundation, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action

agreed upon by the managers and recommended in the accompanying conference report:

The amendment of the Senate struck out all after the enacting clause in the House bill and substituted new language. The committee of conference agreed to accept the Senate amendment with certain amendments and stipulations proposed by the conferees.

The National Science Foundation requested authorization in the amount of \$579.6 million for fiscal year 1974, plus \$3 million in excess foreign currencies. The House authorized \$609.9 million plus \$3 million in excess foreign currencies. The respective Senate figures were \$643.1 million and \$3 million in excess foreign currencies.

The committee of conference recommends \$632.6 million, plus \$3 million in excess foreign currencies. This figure is \$22.7 million more than authorized by the House and \$10.5 million less than authorized by the Senate for fiscal year 1974.

The specific actions taken by the conference are as follows:

#### SECTION 1—FUNDS

1. For Scientific Research Project Support, the budget request of the National Science Foundation was \$275,000,000. The House authorized \$285,000,000 and the Senate authorized \$275,000,000. The Senate concurred in the higher House figure in order to assure more adequate support for the vital basic research activities of the nation.

2. For National and Special Research Programs, the Foundation requested \$99,600,000. The House authorized \$102,600,000 and the Senate authorized \$108,600,000. A compromise of \$105,600,000 was approved by the conferees, which includes an additional \$6,000,000 for oceanography-related programs, with emphasis on ship construction/conversion.

3. For National Research Centers, the House, the Senate, and the conferees approved the Foundation request for \$46,000,000.

4. For Computing Activities, the Foundation requested \$9,100,000. The House authorized \$8,200,000 and the Senate authorized \$10,000,000. The Senate concurred in the lower House figure which would enable the Foundation to carry out this activity at substantially the same level as last year.

5. For Science Information Activities, the House, the Senate, and the conferees approved the Foundation request for \$8,300,000.

6. For International Cooperative Scientific Activities, the House, the Senate, and the conferees approved the Foundation request for \$6,200,000.

7. For Research Applied to National Needs, the Foundation requested \$70,500,000. The House authorized \$71,300,000, and the Senate authorized \$111,700,000. A compromise of \$91,000,000 was approved by the conferees.

8. For Intergovernmental Science Programs, the House, the Senate, and the conferees approved the Foundation request of \$1,000,000.

9. For Institutional Improvement for Science, the Foundation requested no funds. The House, the Senate, and the conferees approved \$2,000,000 in order to maintain institutional grants at the same level as last year.

10. For Graduate Student Support, the Foundation requested \$6,700,000. The House authorized \$11,500,000 and the Senate authorized \$11,000,000. The Senate concurred with the slightly higher House figure in order to enable the Nation to maintain an adequate supply of highly trained scientific personnel.

11. For Science Education Improvement, the Foundation requested \$26,200,000. The House authorized \$35,200,000. The Senate authorized \$28,700,000. The Senate concurred in the higher House figure, with the agreement of the conferees that the \$9,000,000 increase above the NSF request be allocated

between the following activities: Ethnic Minority College Program; Technician/Technologist Science Education Projects; Science Faculty Fellowships and Research Participation; Undergraduate Student Projects; and Undergraduate Scientific Instructional Equipment Program.

12. For Planning and Policy Studies, the Foundation requested \$2,000,000. The House authorized \$2,600,000 and the Senate authorized \$4,600,000. The Senate concurred in the lower House figure.

13. For Program Development and Management, the Foundation requested \$29,000,000. The House, the Senate, and the conferees approved \$30,000,000 because of the anticipated additional costs related to the assumption by the Director of the National Science Foundation of many of the functions of the President's Science Adviser under Reorganization Plan No. 1 of 1973.

#### SECTION 2

The bill as passed by the Senate put floors under 3 budget categories, but the bill as passed by the House did not include floors under any budget categories.

The Senate bill had a floor of \$3,000,000 under oceanographic ship construction/conversion; \$25,000,000 under energy research and technology; and \$8,000,000 under earthquake engineering.

The conferees agreed to keep floors under these three items and to add floors under three other items as well. In addition, the applicability of these minimum levels was clarified to include carryover funds from previous years, as well as the new obligatory authority provided in this legislation.

The specific minimum levels agreed to by the conferees are as follows: \$6,000,000 for oceanography-related programs, including ship construction/conversion; \$25,000,000 for energy research and technology; \$8,000,000 for earthquake engineering; \$10,000,000 for Institutional Improvement for Science; \$13,000,000 for Graduate Student Support; and \$67,500,000 for Science Education Improvement.

Of the \$6,000,000 minimum for oceanography related programs, the committee of conference expects the Foundation to make every effort to obligate not less than \$3,000,000 for ship construction/conversion, for the Nation's oceanographic fleet is woefully inadequate for the needs in this field. The Foundation is expected to include evidence of its compliance with this requirement in its first quarterly report to its authorizing committees.

The committee of conference considers the programs covered by these specific budget items to be extremely important for the scientific well-being of the Nation. The fact that in some cases these minimum levels are lower than the total amount authorized for the particular program in no way reduces the importance of carrying out the program at the higher authorized level, if sufficient appropriations are provided.

#### SECTION 3

Section 3 is identical to Section 3 in both House and Senate bills.

#### SECTION 4

Section 4 is identical to Section 5 in both House and Senate bills.

#### SECTION 5

Section 5 is identical to Section 6 in both House and Senate bills, except for minor technical adjustments.

#### SECTION 6

Section 6 is identical to the transfer provision in the fiscal year 1973 NSF Authorization Act, Public Law 92-372. It is similar to the provisions in the Senate bill, although it provides that the NSF shall give prior notification of transfers and that such transfers shall take effect without approval from Congress after 45 calendar days when Congress is in adjournment to sine die.

The conferees gave careful consideration to the Proportional Obligation Requirement, Section 2 of the House bill. The committee of conference applauds this innovative concept incorporated by the House as a means of assuring compliance with priorities developed by the Congress. It was not included in the final bill because of desire to make certain that such a requirement is compatible with any general anti-impoundment legislation which may be passed by Congress.

The committee of conference agreed to request the responsible legislative Committees in both Houses to give further consideration to further developing legislation for a Proportional Obligation Requirement for inclusion in next year's authorization action. Should there be significant deviation by NSF from a spending pattern that would have been dictated by such a requirement in this year's bill, such a requirement will be given serious consideration for passage next year.

#### SECTION 7

Section 7 is identical to Section 7 of the House bill and Section 8 of the Senate bill.

#### SECTION 8

Section 8 is identical to Section 8 of the House bill. It is a technical provision to permit funds which had been impounded for the oceanographic ship construction/conversion program under National and Special Research Programs in fiscal year 1973, to be released for obligation in fiscal year 1974 without regard to the specific restrictions contained in the fiscal year 1973 Authorization Act.

#### SECTION 9

The Senate bill included a provision that the Foundation keep its authorizing committees fully and currently informed on all its activities. The House bill did not include such a provision. The House concurred in this provision in order to facilitate the committees' oversight function over the National Science Foundation.

As partial fulfillment of this requirement, the committee of conference expects the Foundation to provide the authorizing committees with full and complete reports on all its activities at the end of each quarter of the year. It is expected that the first such report, due September 30, 1973, will include a detailed account of the steps the Foundation is taking to meet the requirements set forth in the Authorization Act and in the related conference and committee reports.

#### SECTION 10

Section 10 is identical to Section 9 of the House bill. It provides that no funds authorized under this act or by previous acts may be used to conduct or support research in this country or abroad on a living human fetus outside the mother's womb.

#### SECTION 11

Section 11 is identical to Section 10 of the House bill and virtually identical to Section 11 of the Senate bill.

#### AUTHORIZATION FOR PAY INCREASES

The Senate bill had included as Section 4 which "authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1974, such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law, or other nondiscretionary costs."

The House bill had no similar section. The conferees agreed to omit this section in the belief that specific legislation authorizing such increases are adequate authorization for the Foundation to increase the fund in the Program Development and Management category in order to accommodate the increases.

#### DIVISION OF ENERGY RESEARCH AND TECHNOLOGY

The Senate bill had included as Section 9 a provision that "the National Science Foundation shall establish a Division of

Energy Research and Technology which shall carry out the Foundation's energy research and technology programs."

The House bill had no similar provision. The conferees agreed to omit it on the grounds that it was not necessary to specify such a division in legislation in order for the division to be established.

The committee of conference believes that the Foundation should increase its emphasis on energy research and technology. With the \$40,000,000 authorized for energy research and technology in fiscal year 1974, through this Act and the carryover of prior year funds, the Foundation is enabled to mount a much more comprehensive energy program in critical areas like solar and geothermal energy.

The committee of conference expects the Foundation to establish a specific Division of Energy, Research and Technology as soon as practicable, and to report to its authorizing committees on the status of its compliance with this requirement.

OLIN E. TEAGUE,  
JOHN W. DAVIS,  
JAMES W. SYMINGTON,  
RICHARD T. HANNA,  
CHARLES A. MOSHER,  
ALPHONZO BELL,  
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#### Managers on the Part of the House.

EDWARD M. KENNEDY,  
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ALAN CRANSTON,  
WALTER F. MONDALE,  
PETER H. DOMINICK,  
ROBERT T. STAFFORD,

#### Managers on the Part of the Senate.

#### PERSONAL STATEMENT

Mr. DULSKI. Mr. Speaker, on several rollcalls on Monday, July 23, 1973, I was not present.

Had I been present, I would have voted "aye" on rollcall Nos. 367, 368, 371, and 373. On rollcall No. 369, I would have voted "no."

#### LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to ask the acting majority leader if he would like to inform the House of the program for next week.

Mr. McFALL. Mr. Speaker, will the gentleman yield for the purposes of replying to him?

Mr. RHODES. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, there is no further legislative business for today. Upon announcement of the program for next week, I will ask unanimous consent to go over to Monday.

The program for the House of Representatives for the week of July 30, 1973, is as follows:

On Monday we will consider the following bills:

S. 1989, Federal Salary Act Amendments, with an open rule and 1 hour of debate; and

H.R. 9286, military procurement authorization, with an open rule and 3 hours of debate—general debate only.

On Tuesday we will conclude consideration of H.R. 9286, military procurement authorization.



On Wednesday we will consider the following:

H.R. 9590, Treasury-Postal Service appropriations for fiscal year 1974; and

S. 1697, Emergency eucalyptus assistance, with an open rule and 1 hour of debate.

For Thursday and Friday we will consider the following:

H.R. 9130, Trans-Alaskan Pipeline Authorization, subject to a rule being granted.

H.R. 8351, Amtrak financial assistance, subject to a rule being granted; and

S. 1264, Eisenhower College and Rayburn Library grants, subject to a rule being granted.

I should like to emphasize the usual statement that conference reports may be brought up at any time, and we may have several major ones to be considered.

Any further program will be announced later.

#### ADJOURNMENT OVER TO MONDAY, JULY 30, 1973

Mr. McFALL. 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 California?

There was no objection.

#### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

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

There was no objection.

#### HOUSES PASSES ANTI-IMPOUND- MENT LEGISLATION 225 TO 164

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

Mr. MADDEN. Mr. Speaker, yesterday was an historical day for the House of Representatives when, after a 2-day debate, it passed the first anti-impoundment bill challenging the constitutional right to the President to usurp the powers of Congress by impounding funds on Federal programs which were enacted into law by both Houses of the Congress. The enactment of this anti-impoundment legislation records for the 1st time in our Nation's history this type of legislation has been passed by Congress.

This anti-impoundment legislation was sponsored by the House Rules Committee. The committee held hearings, off and on, over a period of 2 months, and heard the testimony of approximately 21 Members of the House and several Senators, including Senator SAM ERVIN, who was one of the sponsors of the impoundment bill enacted several months

ago in the Senate. The Rules Committee also heard the testimony of several economic experts and professors of law and political science from the University of Michigan, Harvard University, Rice University, and Yale University; Roy L. Ash, Director of the Office of Management and Budget; Stan Ebner, general counsel of OMB; Samuel Cohen, Assistant Director for Budget Review; and Harold Eberle, congressional liaison, representative of the executive department.

The opponents of the congressional legislation which successfully passed the House yesterday presented a number of amendments on the floor of the House for the purpose of emasculating and undermining the effectiveness of the bill, all of the challenges were defeated. Two minor amendments were accepted by the proponents of the legislation.

Mr. Speaker, in yesterday's July 25, edition of the Washington Evening-Star, on page 10, a news item by Judith Randal recorded a few of the unfortunate, major impoundments made by President Nixon during the last year. I include with my remarks the news report by Miss Randal and, also on the same page, a news item entitled "House Weighs Impoundment," which gives a brief report of the opposition's attack against this long delayed and necessary anti-impoundment legislation:

#### HEALTH FUNDS CUT PUT AT \$1.1 BILLION (By Judith Randal)

Figures released today by the House Commerce Committee reveal that the Nixon administration failed to spend \$1.1 billion—or about 23 percent—of funds Congress authorized last year for the National Institutes of Health and the programs of the Health Services and Mental Health Administration.

Among programs that suffered the most, according to the figures, were some that President Nixon has indicated are most important to the administration. The Conquest of Cancer program, for example, was not allowed to spend \$58.9 million of the money released by the Office of Management and Budget.

The National Heart and Lung Institute reportedly was deprived of \$44.2 million for the fiscal year that ended June 30.

The largest loser was the National Institute of Mental Health, which was prevented from spending \$199.2 million. The Hill-Burton program for hospital and health facilities construction and renovation did not get \$195.2 million Congress had intended it to have.

Almost as much—\$189 million—also was withheld from training programs for doctors, osteopaths and dentists. The nurse training program suffered a \$69.7 million loss while service programs such as family planning and maternal and child health projects were cut to smaller amounts.

Because of the President's veto of the HEW appropriations bill last year NIH and the Health Services and Mental Health Administration were funded under a continuing resolution which would have permitted them to spend up to the levels of the year before. However, when the Office of Management and Budget released the funds to HEW, the agency failed to spend as much as was available.

In making the figures public, the committee released correspondence between its chairman, Rep. Harley O. Staggers, D-W. Va., and HEW Secretary Caspar Weinberger, in which Staggers said that he was "not convinced" the impoundments were either in the public interest or legal. They "must be considered a sad failure of our government's commitment to serve its people," he said.

Weinberger was not available for com-

ment, but he had indicated to Staggers that it was the opinion of the Justice Department that the impoundments were constitutionally within the rights of the executive branch of the government.

#### HOUSE WEIGHS IMPOUNDMENT

The House today is expected to conclude its consideration of a bill designed to sharply curtail the President's authority to impound funds for government programs authorized and appropriated by Congress.

Floor debate in the House began yesterday, with Democrats barely able to hold off Republican attempts to water down a bill, already considerably weaker than a companion measure approved 70-24 earlier this year by the Senate.

And they agreed to a Republican amendment which limits the duration of the bill to one year.

President Nixon already has indicated that he will veto either version, and the House Republican Policy Committee opposes the pending bill on the grounds that it "constitutes an unprecedented, unwarranted and possibly unconstitutional intrusion by the Congress into the Executive (branch) function."

The House bill would permit either house of Congress to disapprove a presidential impoundment within 60 days, and thereby nullify it. In the absence of disapproval the impoundment would stand. The Senate bill would automatically terminate any impoundment after 60 days unless both houses took action to approve or disapprove it.

Rep. John B. Anderson, R-Ill., chairman of the House Republican Conference and leader of the GOP floor fight against the pending bill, lost his first vote yesterday when his colleagues rejected, 229-180, an amendment which would have exempted from the provisions of the bill those impoundments which the comptroller general ruled were covered by the Anti-Deficiency Act.

The GOP amendment limiting the anti-impoundment plan to the current fiscal year, rather than the indefinite period imposed in the bill, was proposed by Rep. John Heinz, R-Pa.

The day's closest vote came on an Anderson amendment to require that both houses of Congress disapprove an impoundment. That proposal was turned back, 206-205, with House Speaker Carl Albert of Oklahoma casting a vote.

The amendment would have lost on a tie vote, but Albert's participation was seen as an indicator of the Democrat's commitment to preserve the bill and beat back other Republican amendments expected today.

Nixon impounded approximately \$18 billion last year, an action the White House says was necessary to maintain the government fiscal integrity. The Democrats claim, however, that it was designed to thwart the implementation of domestic social programs disliked by the President.

#### RATIONING OF FUEL FOR ESSEN- TIAL FARM AND PUBLIC USES

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, today, I am introducing legislation that will direct the President to implement a fuel rationing program based on priorities that reflect the essential needs of our country.

Rationing is not a pleasant thought in our land of plenty and not an action I recommend lightly. But we must face the fact that our fuel supplies are unable to keep up with the growing demand. Reports reach me daily from farmers, in-

dependent fuel dealers, even community governments, that they are unable to obtain fuel from their traditional suppliers for essential farming and public service uses.

Thus far, alternate sources have been found in almost every case. But how long can this continue? As the harvest season and colder weather approach, fuel needs will increase, and it will become more difficult to find alternative sources. With no increase in fuel supplies evident, it is only commonsense that someone will have to do without or everyone will have to do with less. We cannot allow this to happen in the food production and processing industries. Nor can public safety, health, and vital community services do without.

This fall we will have a record crop being harvested, a crop desperately needed for both domestic consumption and foreign markets, and especially to combat accelerating food costs for consumers. If there is not adequate fuel for harvesting and drying grain, heating pig farrowing and poultry houses, and carrying out other essential activities in food production, a serious food shortage could result. And consumers would face not only higher food prices but empty supermarket counters as well.

In Illinois this situation was made more grim this spring and summer when valuable fuel allocated for farm work was needed to pump water that swamped the countryside as the Illinois and Mississippi Rivers flooded, reaching their highest peak in history. In terms of fuel, farmers have not been able to recoup from the diversion needed to combat flood waters.

Several communities have reported to me that they are having difficulty obtaining fuel for public safety and public service uses. Police cars, municipal buses, hospitals, and other public services must have sufficient fuel. That is the purpose of this bill.

My bill would direct the President to immediately establish a rationing system to insure that available fuels are allocated to farm and public services users on a priority basis. Vital needs of society would have to be met first.

For many years, we have squandered fuel as if all our wells were bottomless. Now we must face the fact that fuel supplies are limited and the bottom of the well is in sight. Until additional supplies are obtained or alternative power sources are developed, we have to realize that when it comes to fuel, our days of plenty have ended.

#### REPRESENTATIVE KEMP REPORTS ON HIS TRIP TO THE REPUBLIC OF CHINA

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, I have just returned from a visit to Taiwan, the Republic of China, where I had the honor of being the principal speaker at a rally in observance of Captive Nations Week under the auspices of the World Anti-Communist League of which Dr. Ku Cheng-kang, is honorary chairman.

The Republic of China is one of the most important and inspiring symbols of freedom in the world today. Just as the Berlin Wall is a symbol of communism's fear of freedom, the Republic of China is a symbol of man's indomitable will and desire for freedom. The real revolution in Asia is taking place on Taiwan where free people are accomplishing miracles despite recent adversity.

The Republic of China represents perhaps the most outstanding example of our foreign aid program's highest goals; for example, the fostering of economic independence and democratic principles plus friendship for the United States. Over a span of 20 years the people of the United States gave the Republic of China \$1.5 billion in economic aid and \$2.5 billion in military aid, both of which helped spark the rapid growth of Taiwan from an agricultural to an industrial economy and for which they are deeply grateful. Once regarded as dependent on American assistance for its survival, Taiwan has succeeded without U.S. foreign aid since 1965 and is now prosperous enough to conduct a foreign aid program of its own.

During my stay in Taiwan I was fortunate to have the opportunity of meeting and exchanging views with Premier Chiang Ching-kuo. By improving the structure of the Taiwan Government, increasing representation of native Taiwanese, fostering measures to increase social welfare, and of course facilitating domestic and foreign investment, the Premier is helping to further the goals envisaged by his father, President Chiang Kai-shek: A stable, free and prosperous Republic of China participating freely in the world market as a sovereign state and as a strong ally of the United States and the free world.

I also had the honor and privilege of meeting with Vice President C. K. Yen; the Honorable H. E. Nieh Wen-ya, President of the Legislative Yuan; Secretary-General Chen Chien-chung of the National Assembly; Minister Sun Yun-suan of Economic Affairs; the Honorable Liou Jieh Jow, member of the National Assembly; Dr. Frederick F. Chien, Director General of the Government Information Office; and many other distinguished officials of the Republic of China whose helpfulness and courtesy made my visit a productive and enjoyable experience but more importantly manifested to me a friendship for the United States unequalled.

Culturally, the Republic of China has accomplished the formidable task of respecting and honoring the past while keeping abreast of present developments. To any foreign visitor like myself, a respect for human dignity and a reverence for family ties are apparent everywhere. The best of traditional Chinese culture is being maintained, while at the same time, new traditions are being formed and outside influences are not discouraged. The true principles of Sun Yat-sen are being preserved in the Republic of China.

Economically, there is no one who will dispute the fact that one of the most impressive success stories for free market economics in Asia over the past two decades has been that of the Republic of China.

Only 25 percent of Taiwan is arable. There is little in the way of natural resources. Yet, the Republic of China has achieved a standard of living second only to Japan and Singapore in Asia. Per capita income on Taiwan is roughly four times as high as on the mainland, according to the best independent estimates. Mainland Chinese, for example, must work 25 to 50 days to buy a radio, while a Chinese Nationalist works 7 to 8 days for a radio; a mainland Chinese works 1,200 days for a small car, while a Republic of China citizen works 466 days for a car; a mainland Chinese works one-half day to a whole day for a bar of soap; and so on. From the war-ravaged, agriculturally-oriented system of 1950, Taiwan has risen to a position of industrially advanced leadership among the nations of Asia.

It is the security treaty with the United States, plus their own resilience, that has permitted the 15 million people of "Free China" not only to survive, but thrive. A closeup look at Taiwan such as I had during my visit shows this:

Downtown Taipei, the capital and dominant city, is experiencing a face-lifting and construction boom as new office buildings and hotels go up.

Construction of housing in Taiwan has led all other industries in growth for the last several years and government and private industry are cooperating to catch up with the demand for houses and apartments. Apartments, unsalable a year ago, now are moving so fast that developers are chastised by friends and relatives for not saving some for them.

Life, for most on Taiwan, is visibly easier. Close to half a million people have powered transportation of their own, mostly motorcycles, and ownership of cars is soaring. Air-conditioned taxis are appearing and stores are crowded with shoppers.

The people travel freely and air, rail, and bus services have encouraged tourism.

Perhaps the most remarkable economic accomplishment is the land reform program initiated in the early 1950's, which has resulted in the people of Taiwan tilling and owning their own land. As a result the farmers of Taiwan enjoy an almost unmatched prosperity in Asia.

Public free education is assured for all youngsters through nine grades. Admission to public high school and colleges is available through competitive examinations.

Literature thrives in wide diversity, as does drama. The classics of China opera almost banned on the mainland are freely performed. The movie industry is one of the world's most productive.

Television came to Taipei in 1962 and now one of every three families owns a television set. There are three all-island commercial networks and programming is more than 75 percent in color.

Taiwan has 78 radio stations, 31 daily newspapers, and some 1,500 magazines. There is no censorship, either before or after publication.

In Taipei and elsewhere on the island, new factories are being built and existing ones expanded to broaden the industrial base. More than 100 American firms, including such "blue chips" as Eli Lilly, Gulf Oil, Singer, General Instruments,



RCA, Ford Motor Co., and International Business Machines have committed over \$400 million—40 percent of all foreign investment approvals. None is pulling out. Many are expanding. And others are coming in.

The push is on in everything from tableware to steel and nuclear power, with heavy play in electronics, petro-chemicals and motor vehicles.

These economic successes and continuing patterns of increased foreign involvement represent a confidence in the future of the Republic of China—a confidence on the part of shrewd businessmen who are often in the best position to make realistic assessments of political situations.

Republic of China exports and imports are expected to approach \$5.5 billion this year, easily surpassing the level of the mainland, which has 50 times as many people. Real economic growth may match the 11.4 percent increase of 1971, one of the highest in history.

Our very able Ambassador to the Republic of China, Walter P. McCaughy, has predicted that Taiwan's trade with the United States will be \$1 billion or more within another year or two. Ambassador McCaughy has also predicted that in 1973 Taiwan will rank in the first 10 among America's trading partners in the world, and by 1976 could be sixth or seventh.

I, and many of my colleagues, were most impressed by a recent Republic of China trade mission to the United States which signed a number of agreements calculated to reduce the imbalance of trade between their country and ours—an imbalance in their favor. History has rarely if ever recorded that a small nation has stepped forward to assist a far larger and more prosperous nation in time of need. I feel sure that this unusual act of friendship will not be forgotten.

It was indeed tragic and a blow to the free world that the Republic of China was deprived of representation in the United Nations, which it had served so faithfully and responsibly since its inception.

The Republic of China, post United Nations, has presented a picture of calm, resolute and determined self-confidence in the face of the injustice it has suffered. In contrast with the Republic of China, the United Nations has lost the confidence of millions of supporters both in the United States and around the world.

It would add greatly to the tragedy of the Republic of China's ouster from the UN if the act were considered by any party to be a precedent for future action. It would be equally harmful if anyone were to interpret the events of the past few years as indicating a slackening of American support for Taiwan. On the contrary, the most significant document is still very much in force: the Mutual Defense Treaty of March 1955 which commits the United States to the defense of the Republic of China and the Pescadores; and which has been reaffirmed by President Nixon in his foreign policy reports to Congress, most recently in April and May of this year when he stressed our Nation's policy of friendship for 15½ million people of the Republic of China.

The Formosa resolution, passed into law by the 84th Congress, also continues to authorize the President to take actions necessary to protect the Republic of China and the Pescadores against attack. These are not just words but the solemn commitment of American honor by our President, the U.S. Congress and, most importantly, the American people.

I believe that the United States has work to do and a place to fill in the Pacific and that we must remain steadfast in our commitments to our allies.

From Southeast Asia to Taiwan, to the Middle East, credibility is the first line of defense against potential aggression. If no one believes in our word or in our agreements, we will have ushered in an era not of negotiations but of trepidation and self-doubt not worthy of a world leader and dangerous to the world.

During my trip to Taiwan I inspected military installations on Kimmen, that is Quemoy and my visit to this small outpost of freedom—barely 1 mile from mainland China—vividly demonstrated to me how incalculable the strategic importance of Taiwan is to the stability of the East Asian and Pacific region—a region for which the United States has made such great sacrifice.

In 1945, General Douglas MacArthur stated that in his opinion the island of Taiwan was key to control of the Philippines, Japan and Korea. Admiral John McCain, who recently retired as commander of U.S. Pacific forces, has said that the Republic of China plus the other island nations on the edge of Asia form a defense perimeter which is of vital importance to the interests and defense of the United States.

I would like to make my own position clear concerning the Republic of China. I totally reject the idea that the Republic of China can be used as a bargaining counter in any negotiations between major powers. The status of the Republic of China is not negotiable because the freedom of the people of the Republic of China is not negotiable.

We in the United States must not for one moment allow ourselves to forget that the Republic of China has always been among our most trustworthy and loyal allies. During World War II the Republic of China saved our Nation tremendous numbers of casualties and helped shorten the war—even though this meant considerable sacrifice on the part of Chinese forces. I believe we in the United States must have an equal commitment now to the Republic of China.

This commitment is being reaffirmed by a resolution introduced in Congress of which I am honored to be cosponsor and which at last notice is being supported by more and more of the Republic of China's many friends and allies in the Congress.

The resolution provides "that it is the sense of the Congress that the U.S. Government, while engaged in a lessening of tensions with the People's Republic of China, do nothing to compromise the freedom of our friend and ally the Republic of China and its people."

I strongly urge my colleagues to lend their support to this resolution.

I have read many glowing reports written by those who have gone to mainland China—without being disrespectful it seems to me they praise what they see to be achievements while neglecting to consider the terrible human cost of these accomplishments in terms of both physical suffering and in the stifling of the individual creative spirit.

No one can really understand what has taken place on the mainland and present conditions there unless they also visit Taiwan and personally talk with some of those who risked their lives to leave the mainland and hear their stories as I did. More than 2.5 million Chinese people have fled the Communist mainland during the past 23 years. Noticeably, there does not seem to be much traffic in the other direction—except for enthusiastic—and brief—trips by western visitors.

Mr. Speaker, I include at this time a firsthand account of the life on mainland China which visitors never see—a report by Mr. Li Min, a student who early this year risked his life to escape to Taiwan and freedom and whom I had the honor to hear give this speech.

REPORT BY MR. LI MIN, A FREEDOM-FIGHTER REPRESENTATIVE, AT "CAPTIVE NATIONS WEEK" RALLY IN TAIPEI, JULY 17, 1973

Mr. Chairman, Mr. Vice President, Distinguished Guests, Senior Officials, Representatives, Ladies and Gentlemen: As a graduate of the Wuhan Medical College on the Communist-occupied mainland, I escaped to freedom on January 4 this year and, with assistance from the Free China Relief Association, reached this free fatherland of ours on June 24. My escape at the risk of my life was, in a narrow sense, to gain freedom for myself and, in a broader sense, to expose the true face of the Chinese Communist regime to the whole free world.

The concentration camp-type rule perpetrated by the Communists on the mainland is ever more cruel today. People have no political freedom whatsoever. Whatever they say must be in praise of the Communist Party and Mao Tse-tung. Any wrongly-made statement, no matter how minor in nature it may be, is certain to bring one the label of "anti-revolutionary."

The end of school life is the beginning of vagrancy. Young people are sent either to the countryside for farming or to frontier areas for reclamation work. In the ancient times, criminals were often banished to border areas as soldiers. The fate of young people on the mainland today is exactly the same.

As regards residence, people are kept as immobile as neglected tombs. Millions of married couples have been torn apart and told to stay put at points widely separated across the mainland, just like the legendary cowherd and weeping maid (who, according to Chinese folklore, meet once a year on the seventh day of the seventh moon over a bridge across the Milky Way formed by sympathetic magpies).

Religious freedom is unheard of. Protestants and Catholics have been branded as "running dogs of Western slave-masters." Buddhists have been labeled as "residual elements of feudal society." All have been criticized and struggled against. In the whole Canton City today only six monks at a Buddhist temple and two preachers at a church are maintaining their show-window-like existence for external propaganda purposes.

People are constantly exposed to extreme fear and agony. No one knows when he or she will be subjected to cruel struggle and ruthless political blow. None can predict when, why and how he will be sent away

under the "down-assignment program," imprisoned or simply made to disappear forever.

Under the so-called theory of class struggle that is forced upon the people, mutual trust has been wickedly wiped out at home and in society. Parents and children, brothers and sisters, husbands and wives do not trust each other. New contradictions are constantly created. Everyone is busy accusing others lest he should get accused. Human love and harmonious togetherness are utterly non-existent.

Life is an endless series of struggles against hunger and cold. People lack clothes and eat little. There are dozens of ration tickets for cloth, grain, edible oil, soap, kerosene, and so on. No one knows just how many different tickets, coupons and certificates there are in use. And yet, what the people get in exchange for these tickets is pitifully limited in quantity. Edible oil is issued in terms of *ch'ien* (1/10th of a tael or roughly 1/10th of an ounce). Cloth ration is in terms of inches.

The people's working methods are primitive. There is no time limit and no end to work, and yet pay is always very scanty. People are often supposed to forget themselves and contribute their labor without asking for reward. As a physician with college training, I had to work and attend meetings for altogether at least 10 hours a day. There was no overtime pay when overtime duties had to be performed. There was no Sunday. And my monthly pay was only 47 JMP ("jen-min-pi" or "people's money"). Even so, I was among the better-paid on the mainland.

The Communists have gone to all extremes in attempts to destroy Chinese culture and suppress intellectuals. The so-called new-type colleges and universities have virtually deprived the people of the benefit of science. Entrance examinations have been abolished and college enrollment is effected through recommendation, but the screening process is such that only a limited number of parrot-like political followers from the privileged class can hope to have so-called advanced education.

Atrocities committed by the Communists are indescribable. The people resent their rule so much that the whole mainland is like a volcano that may erupt at any time. In order to extricate themselves from the serious distresses and contradictions at home, the Communists are now stepping up their totalitarian rule on the mainland and at the same time pushing their diplomacy of hypocritical smiles abroad. The objective is to shift the people's attention from the mess on the mainland, hypnotize the free world, erode the morale of free people, and reach the goal of world communization.

Very unfortunately, however, certain free world leaders have permitted themselves to fall into the Communist trap and some selfish politicians have even decided to go with the stream of Communism. By doing so, they have abandoned the lofty goals of freedom and peace for mankind. Furthermore, they are knowingly or unknowingly acting as accomplices of the Communists who are bent on enslaving people and perpetuating tyranny. Such mistaken politicians cannot be pardoned for the suffering 750 million people on the mainland. History will condemn them as guilty. It is high time that they examine themselves and correct their course.

However, this unfortunate phenomenon is temporary in nature and guilty individuals are limited in number. We say so because freedom and democracy are the goals of the flow of time and social development. An absolute majority of the people and their leaders in the world support freedom and democracy. They abhor slavery and tyranny. We belong to the majority and our task is fully in line with the cause of jus-

tice. We are invincible because we are on the side of the ultimate good.

Taiwan today shines as a lighthouse of freedom, democracy, prosperity and growth for all the people of Chinese blood. Our compatriots on the mainland are all longing for a place in the sun under freedom and democracy. The sooner the success of our mainland recovery mission, the less longer the suffering of the mainland compatriots will be, and the more energy the Chinese as a whole will preserve for valuable contribution to the future of mankind.

#### IMPACT BRASS AND SINGERS PERFORM AT CAPITOL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. TAYLOR) is recognized for 5 minutes.

Mr. TAYLOR of Missouri. Mr. Speaker, this morning the Impact Brass and Singers from Ozark Bible College, located in Joplin, Mo., performed on the steps of our Nation's Capitol. This group of young Americans who spread the gospel, with what they term a "Contemporary Christian Sound" are on a 65-day tour that will take them to 18 States over a 10,000-mile route.

The Impact Brass and Singers have appeared at the North American Christian Convention in Dallas, Tex., where they opened each evening's session before an audience of some 20,000 people. They were picked as the select group featured each evening during the International Youth Conference sponsored by Christ in Youth in Tulsa, Okla., and were chosen as the musical group to open the evening sessions of the National Missionary Convention in Phoenix, Ariz.

Mr. Speaker, I consider it a very great privilege to be able to serve as a Representative of a district which numbers among its many fine schools and colleges an institution such as Ozark Bible College. I am pleased to report, that their performance of Christian and patriotic music on the Capitol steps this morning thrilled not only the many passers-by and visitors to this historic place, but many Members of the Congress who paused to listen and paid many compliments to their poise, and their music. I am certain, that those of us who were permitted to enjoy their program are better Americans for having shared their testimony in song.

I would like to commend the conductor of the Impact Brass and Singers, Mr. Meredith Williams and his assistant Mr. Willis Harris, as well as the president of Ozark Bible College, Mr. Don Earl Boatman for their efforts in putting this fine group together.

#### CAPTIVE NATIONS: A NEW LOOK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 5 minutes.

Mr. CLEVELAND. Mr. Speaker, during more than 10 years in Congress, I repeatedly have called attention to the plight of peoples under Soviet domination. Those years have seen significant changes in our relationship with the Soviet Union, though what many have viewed as progress has often proven more

apparent than real. Despite these changes—and I do feel we have at least set the stage for continuing improvements—it is fitting that we again pause to observe Captive Nations Week at this point in our history.

In view of all too many, the cold war's significance is limited to the Soviet expansionism in the post-World War II years and our response to it. Thus it has been proclaimed at an end repeatedly, only to be recognized anew with a Hungary, a Berlin crisis, a Cuba, a Czechoslovakia or Communist aggression in Korea and Southeast Asia. We have heard theories of convergence, a mellowing of the Soviet Union and the preposterous notion that the cold war somehow was made in the United States. But we who observe Captive Nations Week and those peoples whose plight we commemorate know the true history. We recall the new Soviet imperialism that absorbed the Baltic States in the early 1940's and, during World War II, set the stage for post-war takeovers elsewhere in Eastern Europe.

Why do I recite this history at a time when the President has launched a period of negotiations, of apparent detente, with international negotiations now begun in Helsinki and to resume in the fall? It is not to question prospects for peace or the President's policies for its pursuit. I repeat: I am convinced that after so many false starts and false hopes we have set the stage for improvement in our relationships.

But I do not delude myself that the millennium is at hand. The grim record of the past indicates both how far we have come and how far we yet have to go.

The lessons of recent history show that for agreements to mean anything they must reflect the genuine interests of the parties. Pledges of cooperation must be followed by a cumulative series of concrete steps to ease tensions. Agreements attained through strength cannot be maintained through weakness.

Any negotiations worthy of this great nation must assure that those victimized by the hostilities we seek to end must share in the benefits. We must insist on real, measurable and irreversible expansion of freedom in any long-range settlement.

We have legitimate leverage and must use it. The Soviet Union is being forced to look outwards. It is grudgingly responsive to world opinion if strong and sustained, and channeled into the process of determining public policy. The decreased restrictions on emigration of Jews from the Soviet Union represent one hopeful example. In the same vein, our task is to maintain and increase pressure for a genuine opening of freedom of thought, movement and expression in Captive Nations which hopefully in time will lead to the evolution of full freedoms in those countries whose loss of liberties we have mourned so long.

We launched our negotiations in Helsinki on this basis. Predictably, the long-range negotiating process will be arduous. Our best prospects for success will lie in guidance by the same sense of history shared by those who grasp the full meaning of Captive Nations.

The same realities should be kept in



mind, too, as we continue to make judgments in the areas of troop strength, overseas deployment, weapons systems and war powers.

#### STATEMENT BY THE PRESIDENT ON THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. GERALD R. FORD) is recognized for 10 minutes.

Mr. GERALD R. FORD. Mr. Speaker, the President has just announced some good economic news—that Federal expenditures for fiscal year 1973, which ended last June 30, were held to \$246.6 billion, well below the \$250 billion spending ceiling which this House approved last session. Moreover, Federal receipts for fiscal 1973 totaled \$232.2 billion, so that the deficit was held to \$14.4 billion instead of the \$24.8 billion deficit which the President anticipated in his budget message last January. The text of President Nixon's announcement follows:

#### STATEMENT BY THE PRESIDENT

The best way to hold down the cost of living is to hold down the cost of Government. Today there is new and encouraging evidence that we can win that battle.

The latest Monthly Statement of Receipts and Outlays shows that Federal outlays for fiscal year 1973 were held to \$246.6 billion—a figure well below the \$250 billion ceiling on spending that I had recommended to the Congress. Since overall receipts totaled \$232.2 billion, the deficit for fiscal year 1973 was \$14.4 billion. This was a much smaller deficit than the \$24.8 billion deficit projected in my Budget Message last January. Moreover, the budget was within \$2 billion of being in balance during the period from January to June of this year—a period when it was especially important to hold down Government spending.

During the debates on budget policy last fall and last winter, it was widely assumed and frequently asserted that we could not hold spending to the \$250 billion level and that the only way to produce an anti-inflationary budget was by increasing taxes. I rejected that contention then—and I reject it now, as we look to a new fiscal year. We held the budget line in the year just past without raising taxes. I believe we can do so again—and, in fact, achieve a balanced budget—in fiscal year 1974.

In earlier years, budget deficits have sometimes helped take the slack out of the economy and increase employment. However, we recognized in the summer of 1972 that a major problem was developing as the economic boom got well underway. We could foresee that the pressures from existing Federal programs and new legislation could push spending for fiscal year 1973 to \$260 billion or more—much more than we thought an already strong economy could tolerate without greater inflation. I therefore called upon the Congress to hold the line on spending at \$250 billion.

The Congress has acted responsibly on that request. There have been many differences between the Congress and the Administration over the level of Federal spending on many specific programs, but the important point is that our overall spending goal has been achieved.

I recall how both Houses of the Congress approved legislation last fall to set a ceiling in Federal spending at the \$250 million level. While technical differences prevented the two Houses from agreeing on a common version of that ceiling, and while overall Congressional action for the last fiscal year eventually contemplated much higher ex-

penditures, it was clear nevertheless that a majority of both Houses of the Congress accepted in principle the advisability of holding spending to a lower level. When the chips were down, it was that spirit of restraint which prevailed.

I trust that the two branches can forge an effective partnership on behalf of budgetary responsibility again in the new fiscal year—and that one year from now the figures will show that the budget for fiscal year 1974 was in balance. The fact that we nearly achieved a balance in the second half of fiscal year 1973 encourages us to believe this a realistic objective.

It should not be overlooked, however, that the veto of certain bills and the reserving of certain funds was essential in achieving our budgetary goals for the past twelve months. Inflation continues to be our most important economic problem—and budget and monetary restraint continue to be our most important tools for fighting it. Our Phase IV controls will help to moderate inflation, but a balanced budget and monetary restraint must be our major weapons against rising prices.

With the economy now operating at a high level, revenues in fiscal year 1974 should approximate, without any tax increases, the overall level of expenditures I proposed last January—about \$269 billion. Balancing the budget therefore means that we must hold expenditures to that level in the coming year, despite the fact that higher prices, higher interest rates and new legislation will all be working to drive spending higher. I am confident that with the continuing cooperation of the Congress we can meet that goal and thus help protect the American people against the twin dangers of higher prices and higher taxes.

#### THE THREAT OF NERVE GAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, the Department of the Army is preparing to transport vast quantities of deadly nerve gas from Colorado to Utah. I rise to report to my colleagues that I have tried without success to arrange for a briefing with anyone involved in national defense policy who might explain why we continue with this unintelligible and outdated decision to stockpile chemical nerve agents. I hope that Members and Senators from the States of Alabama, Kentucky, Colorado, Oregon, Indiana, and Arkansas, where nerve gas is now stored, might join in demanding a public review of this policy.

It has been evident for sometime that the Army would be required to remove these nerve gases from the center of the city of Denver or to detoxify them, to alleviate the serious threat their placement now poses. Two days ago I learned that the Army has recommended that stockpiles of the nerve agent GB be removed from Denver to Tooele, Utah. This indefensible suggestion, if accepted by the Secretary of Defense, will now require that the vast store of deadly gases be transported, with all the attendant hazards, approximately 550 miles through highly populated areas.

I have also asked that oversight hearings be held by the House Armed Services Committee so that whoever it is who insists upon the policy of nerve gas storage be given the opportunity to explain that policy publicly, and to defend it be-

fore a committee of Congress and the American public.

The presence of noxious nerve agents constitutes an intolerable threat to the safety of millions of Americans, most of whom are completely unaware of the danger. And for what? Who can argue that nerve gas is an effective deterrent in this nuclear age? Several years ago the American ban on biological warfare agents led to a bilateral agreement with Russia. What about chemical warfare? Now is the time to consider, openly, taking that courageous, foresighted step again.

#### MONETARY REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Subcommittee on International Finance, of which I am chairman, has met at my direction this month to review the progress toward monetary reform. Last year I held similar hearings to assess the world monetary situation and to urge greater speed toward basic monetary reforms. The subcommittee has taken testimony from leading experts in international monetary affairs and from administration spokesmen. Today, as last year, the world is in a state of monetary crisis. In fact, we seem to be in a state of perpetual crisis. Last year when we reviewed the progress toward monetary reform, we found that very little had been accomplished. Much has happened since then. A renewed and unprecedented monetary crisis, a second dollar devaluation and a continued decline of the dollar against other currencies. The dollar is now said to be grossly undervalued; and yet it continues to depreciate against virtually every other currency in the industrial world. But not only do we find that there is a sad lack of confidence in the dollar, all over the industrial world inflation is rampant and there is increasingly a lack of confidence in any kind of currency.

The continued decline of the dollar might lead to imposition of trade and capital barriers which would have grave consequences for everyone concerned. I said at the outset of this year's hearings, that it seemed to me, time that action was taken to defend the dollar. I am glad to say that the Federal Reserve has increased its swap lines by 50 percent, which should discourage speculation and make available large amounts of resources that could be used to control market flows of dollars. Also, the Federal Reserve has intervened in the foreign exchange markets to buck up the sagging value of the dollar.

I believe that we should press harder for monetary reform, and that the time might well have come when it will be in our best interest to halt speculation in the currency markets. We should encourage not only monetary reform, but encourage international arrangements for the sale of gold to dampen speculation in that metal.

The administration continues to push for monetary reform and Under Secretary of the Treasury Volcker advised the Subcommittee that the United States

and other countries have reached more or less unanimous conclusions on certain aspects of international monetary reform, but a lot of work still has to be done on reaching an agreement on specifics. Under Secretary Volcker feels that the International Monetary Fund Committee of Twenty is tackling the challenge of monetary reform in a workmanlike way.

I have been concerned for some time about the amount and frequency of disruptive, speculative capital flows, so I was pleased that Secretary Volcker reported that the IMF Committee of Twenty has agreed that more effective means are needed to deal with the problem of short-term capital flows.

Progress must be made on international monetary reform. I am genuinely concerned and I believe that the time has passed for academic discussions. I believe that the time has arrived for realistic action and I do not believe we are helpless in all of this; I believe, on the contrary, that many of the troubles stem from a simple unwillingness to grasp the nettle and get on with the necessary task of trade and monetary reform. I feel that our subcommittee hearings will help to promote this realistic action.

In order to obtain a more realistic appraisal of the problems and the potential practical solutions, the subcommittee staff is investigating the following topics:

First. What to do about the enormous foreign holdings of U.S. dollars;

Second. What can be done about the speculative and short-term capital flows of major U.S. banks incorporations;

Third. The potential influence on the strength of the dollar and on foreign dollar ownership of major factors such as the forecasted increase in oil imports;

Fourth. The participants in the foreign dollar markets.

#### LET US END THE EROSION OF OUR RIGHT TO PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, on October 3, 1969, a number of State and local narcotics agents in Whittier, Calif., drank beer and highballs for 2 hours in a local bar as the awaited completion of search warrants for a drug raid on apartments B and D at 8033 South Comstock. When they finally got to work, they burst into the apartment of Mrs. Florence Mehan at 8031 South Comstock. Realizing their mistake, but without a word of explanation or identification, the agents went upstairs to the correct address. Drawn by the commotion, Mrs. Mehan's son-in-law went to her apartment to see what was wrong. As he was standing in Mrs. Mehan's apartment, a bullet crashed the ceiling, piercing his skull and killing him instantly.

This is not just an isolated incident in a vast array of tragedies. It is one of a long series of events in which innocent Americans have been subject to mistaken, violent, and often illegal raids by local, State, and Federal narcotics agents

in search of illicit drugs and drug pushers.

If a society is to be guided by a set of principles—guaranteeing to its members legal protections against the power of the state—it cannot suspend these principles when faced with a drug problem. Rather, it is at these times that the Government should reaffirm those principles. It should demand that the problems be met without the destruction of fundamental human rights. To paraphrase the words of Senator SAM ERVIN, the fight against the dangers of drug abuse do not justify suspension of the fourth amendment.

In our efforts to rid our Nation of drug abuse—what President Nixon has called Public Enemy No. 1—we have on too many occasions cavalierly disregarded the due process requirement accorded to our citizens under the Constitution and the Bill of Rights.

These raids were made under the guise of the present "no knock" laws included in the Omnibus Drug Abuse Control Act of 1970. Numerous cases of high-handed raids by narcotics officers similar to the one depicted here have been reported. In most of them, the officers involved either had no search or arrest warrant, or raided a different address from the one to which they had been assigned. "No knock" searches are bad enough, especially where the search takes place at the wrong house. But "no knock" search without a warrant, or one based on an uncorroborated or anonymous tip, is unjustifiable, and is illegal under the current statute. It is precisely such incidents which we were warned against in 1970, when we were considering the inclusion of "no knock" in the omnibus bill. Now we see that we should perhaps have given greater heed to those warnings.

John R. Bartels, Jr., the Acting Director of the Drug Enforcement Administration, has responded to this problem by tightening the administrative controls on Federal narcotics agents acting under "no knock" procedures. I commend him on his awareness of the problem, and the speed of his response. But I feel his administrative efforts omit essential provisions for compensating innocent victims, and disciplining the law enforcement officials involved in making illegal raids. The legislation I am introducing today will provide further protection against the recurrence of such illegal activities, and to compensate those whose homes and persons received damage during these raids.

My bill provides that the United States shall be liable for treble damages for damage to either person or property in cases of erroneous entry to dwellings by U.S. officers or employees engaged in searching for illicit drugs, and that any officer or employee responsible for such an entry shall be barred from continuing in, or holding in the future, any office or employment with the United States.

I know drug abuse is a menace to our society. But equally menacing are criminal violations of our fourth amendment right to be free from unreasonable search and seizure, particularly when such violations are perpetrated by law enforcement personnel. As Miles J. Ambrose,

former Director of the Office of Drug Abuse Law Enforcement, has said:

People who use their badges for illegal purposes are worse than the criminals they seek.

One evil cannot and should not be used to justify the ending of another. These illegal police activities must cease immediately, and we must do everything possible to make sure that such Gestapo-like tactics will never recur.

I would like to conclude with a quote from Justice Louis D. Brandeis' eloquent dissent in the landmark wiretapping case of *Olmstead against United States*. These are words whose meaning has become almost poignant in light of recent developments, and which we who have a healthy respect for the Constitution and the law should take to heart:

If the Government becomes a lawbreaker it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy. To declare that in the administration of the criminal law the end justifies the means—to declare that the Government may commit crimes in order to secure the conviction of a private criminal—would bring terrible retribution. Against that pernicious doctrine this court should resolutely set its face.

#### ELIMINATION OF CATEGORIZATION OF MILITARY DISCHARGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 5 minutes.

Mr. STOKES. Mr. Speaker, today I am introducing legislation which would reform our military system, as part of the transition to an all-volunteer armed service. My bill would eliminate the practice of categorizing the military discharge which a man or woman receives. Under my bill, there would be no honorable, dishonorable, or bad conduct discharges. A man's military papers would state simply that he had been discharged—that he had fulfilled his obligation to the Armed Forces.

The need for legislation of this type has become apparent to me in the course of my congressional duties. There is not a week that goes by that I do not receive a letter from a veteran who states that—because his dishonorable discharge has branded him permanently—he cannot find work, he cannot obtain financial assistance to complete his education, and he may not receive compensation from the VA for a disability he may have incurred while in the service. In short, under the present system, a man may have to pay for the rest of his life for a mistake which he made at the age of 18 or 19.

As one young veteran—who had gotten an undesirable discharge—related to hearings on the military:

If I was good enough for you to draft me, good enough for you to ask me to give my life, then I am good enough to work when I come back.

I am the same man that left Chicago, Illinois in 1968 and the same one that came back in 1970. But my record, as far as the military goes, is like I am a hardened criminal.

If I go out to a job, I got to lie. I am tired of lying to people. I should be able to be hired on the merit that I am qualified.



Having done a great deal of research into this problem, I am convinced that it is important and widespread enough to warrant legislative action.

Under my bill, a man would receive an early discharge under only six conditions:

First, if his record revealed a preponderance of misconduct charges or if he were considered a threat to national security;

Second, if he had been court-martialed or had requested a discharge in lieu of a court-martial;

Third, if he had been AWOL for over a year;

Fourth, if he had been sentenced to more than a year in prison or to death by a civilian court;

Fifth, if he had been convicted three or more times in 3 years by courts-martial, civilian courts or both; and

Sixth, in wartime, by order of the President.

If a serviceman were considered for discharge under one of these six conditions, the case would automatically be referred to a review panel, including no fewer than three officers. The serviceman would be represented by legal counsel and he would be fully informed of the charges against him. He would be allowed to present witnesses in his own behalf and to examine the witnesses and the evidence of the opposition.

My bill would also affect men and women who have been discharged under less than honorable conditions in the past. At least 10 regional boards would be set up across the country. Up to 15 years after dismissal, a veteran could bring his or her military discharge up to the board for review. If he had died in the interim period, his family could make the request posthumously. The board could provide counsel if the veteran could not afford an attorney.

In closing, I want to say that the transition to an all-volunteer army is a welcome and needed innovation in this country. But this modernization will be meaningless so long as men and women are made to pay with their futures for mistakes which they made in their youth.

#### RUSSIA AND MOST-FAVORED-NATION STATUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois, (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, most-favored-nation—MFN—treatment is the policy of nondiscrimination in international commercial relations—particularly tariffs—which accords a third nation the same customs and import treatment that is currently being given to any other trading partner. This U.S. policy of extending MFN treatment automatically and unconditionally to all its trading partners has been in operation since August 1923 in accordance with the Tariff Act of 1922—section 317. Although the nondiscrimination provisions of the 1922 forerunner were merely reiterated in the Tariff Act of 1930 it was not until 1934 that an express statutory statement on

MFN treatment on imports from all nations was included in the Reciprocal Trade Agreements Act. The enactment read:

The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly, or indirectly". (Section 350(a).)

This MFN principle was reaffirmed in 1947 when the United States became a signatory of the General Agreement on Tariffs and Trade—GATT—article I of which required the immediate and unconditional extension of all privileges, granted by a contracting party to any other country; namely, to all contracting parties.

During the Korean war feeling ran high against the Communist help given Korea and as a result during the passage of the Trade Agreement Extension Act of 1951, in section 5, Congress directed the President to withdraw or suspend the MFN status of all countries under the control of international communism. Since the United States had bilateral agreements with most Communist countries, and these provided for termination notices, it was not until November 1951 that the MFN status of all Communist countries was abrogated.

The Trade Expansion Act of 1962—sections 231 and 251—reiterated the MFN principle and the denial of the MFN status to Communist entities.

With the major exceptions of Poland and Yugoslavia, this suspension of MFN status is still in effect today.

In the light of the détente between Soviet Russia and the United States during the last years as evidenced by the Nixon visit to Moscow, the Brezhnev visit to Washington, the Russian grain deal, the lend-lease settlement, prospective large-scale energy and plant-building programs in Russia, as well as the intense desire for greater trade intercourse between the two countries, the renewed question of MFN treatment for Russia is much to the fore. Furthermore, under the Brezhnev-Nixon agreement of May 29, 1972, MFN treatment with accompanying tariff benefits, has been promised by our administration. How can this be done?

First. The President cannot extend MFN treatment on his own. This can only be done by Congress under authority of TEA 1962. Should the nonextension of MFN to Communist countries be deleted by vote of Congress then MFN treatment will be extended to them without any necessity on their part of reciprocal concessions to us.

Second. Should Russia ask to join GATT, conceivably she could demand equal MFN treatment as a signatory from all other members. Yet most members are already giving her MFN treatment. There is a safeguard for us, however; namely, article 35, whereby we have the option of denying MFN treatment to any member, at our discretion. Similarly, we could do this to a new member under article 2. This we have done in the case of Romania, and presumably could do in the case of Russia. But Russia has taken no steps whatever to join GATT.

Third. Under the Brezhnev-Nixon

agreement of May 29, 1972, and the trade and lend-lease agreements of October 18, 1972, the mutual exchange of MFN treatment between the United States and U.S.S.R. was envisioned. To implement this exchange the administration has proposed the Trade Reform Act of 1973, H.R. 6767, and under title B, sections 501+ has asked for the extension of MFN treatment to those countries not currently enjoying MFN status. The proviso is that such MFN recognition will only follow on the definite arrangement of a bilateral trade agreement ensuring mutual reciprocal concessions. It is this consideration which is before us in the prospective debate on the trade bill.

In the forthcoming debate much will be said on either side about MFN status for Russia. As I said in my previous speech here on the trade bill H.R. 6767—CONGRESSIONAL RECORD, July 16, 1973, pages 24013-24014—I have taken up the cudgels on behalf of the American laboring man and will oppose the inclusion of certain provisions inimical to the best interests of that workingman.

I am opposed to giving MFN status to Russia as part of our new trade posture for the 1970's. I am opposed to giving it to her conditionally for even a 1-year trial period. As part of this denial let me quote a statement issued by the executive council of the AFL-CIO issued here in Washington, D.C. on May 9, 1973:

Under the Brezhnev-Nixon agreement of May 29, 1972 the Administration has promised the Soviet Union most-favored-nation (MFN) treatment with accompanying tariff benefits. MFN treatment would be a political and economic triumph for Moscow. It would also open the American market to Russian commodities produced under slave-labor conditions.

The Executive Council of the AFL-CIO, therefore, urges Congress to reject the proposed trade package which provides for most-favored-nation status for Soviet exports to the U.S. and for the extension of large-scale credits for Russian purchase of American goods and technological know-how.

Allow me also to give you the words of Mr. I. W. Abel, a leader of the AFL-CIO and president of the United Steelworkers of America, in the latest hearings on H.R. 6767 before the House Ways and Means Committee:

The bill authorizes the President to change most-favored-nation status and to make commercial agreements with Communist countries.

(a) Most-favored-nation treatment (extending to imports from a country the lowest tariff-rates that have been negotiated with other countries) could be granted to Communist countries which do not now receive it. The bill gives the President authority to negotiate three-year commercial agreements with Communist countries. No safeguards are required for these agreements but many are stated. The President may act to remove the MFN treatment either by product or by country for the Communist or non-Communist countries under other provisions of this bill.

This provision would lower tariffs on imports from countries with slave labor camps, countries which do not provide the right of workers to have unions, countries which have completely different systems of production and pricing from that of the United States. Thus a massive rise of imports from these countries could be expected.

The equal treatment for tariffs from these countries will not mean equal treatment for

U.S. producers or for U.S. trading partners, because these countries do not engage in "business as usual" normal commercial trade relations.

(b) There is a market disruption provision in this section of the bill which does not require any action, but allows the President to impose special quotas on imports from these countries if the U.S. market is disrupted under new tests in the escape clause section of the bill.

(c) Commercial agreements with countries that will use the trade for political, military and other purposes, controlled by state monopoly do not make sense.

(d) U.S. firms, which have already shipped some of the newest U.S. technology to these countries, will be encouraged to transfer even faster out of the U.S. In these cases, the transfers are to countries who use trade for political purposes and whose goals are against the objectives of the United States. Thus, the newest technology will be available, often from U.S. firms, to produce goods with cheap, oppressed labor, behind state-controlled walls, with special rights into the United States markets for their exports.

At present, the U.S. has more imports than exports in its trade with almost every part of the world. The largest surplus of U.S. exports with any country last year was with the Soviet Union. But the subsidized exports and transfers of U.S. technology with special entry rights will make that surplus vanish too.

(e) Preferences (zero tariffs for 10 years) would be available to some Eastern European countries as developing countries if the President so decided. The oppressed labor of any Communist country could be used by U.S. firms who locate there by foreign state controlled industry to ship duty free to the U.S.

Mr. Speaker, I submit that in most of our trade and financial arrangements with her Russia has received the utmost benefits:

We cut her lend-lease repayments to the barest minimum.

When she needed our grain the most, we lost \$300 million on the deal.

In gas and other energy exploitation we have to underwrite the capital plant expansion with no assurances that we will control the management or investment.

In the huge Kama truck plant she is getting our machine tools and know-how. This is a one-time deal.

Russia will need our food and feed grains in the future. For these she wants credits, long-term credits. Must we supply the credits and goods to expand her industrial capacity and ultimately her war-making capacity at the expense of our own taxpayers?

Suppose we give her MFN status—what goods can she supply—consumer goods when she needs these desperately for her own people? Or scientific instrumentation produced at sweat shop labor cost? If we forbid such produced goods in interstate trade here, surely we should do the same with Russian goods so produced.

Or are we going to get the chance to set up factories in Russia to produce for our home markets. No state-controlled system can allow this to the detriment of their own people. Surely this also means the export of U.S. jobs?

Is the MFN status not merely a political ploy to give the world the idea of economic coexistence so as to build up her own industrial, and ultimately, war potential?

Most of the raw materials we import from Russia are already on the free list or under such low restrictions that the benefits accruing from MFN status will be one sided.

I know our labor organizations are against importing industrial goods from countries where there is no semblance of unionization, representation, or other labor privileges.

The promise or actual relaxation of exit visas of Jews to Israel is not enough for all we offer. Let them also give promises of self-determination of peoples, political justice and freedom, real wages, et cetera, and we can talk of reciprocal concessions which is really what MFN is all about.

No, Mr. Speaker, I will vote against giving Russia MFN status, and hope that my colleagues will also vote on behalf of our own national interest. For too long our interest has taken second place for those to whom we have extended our friendship, the benefit of our products and our know-how.

#### COST OF SAFEGUARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN), is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I have learned that a one-site ABM system will cost nearly \$1.5 billion more than the original estimate for a two-site ABM system. In May 1969, the Army estimated that a two-site ABM system would cost \$4.185 billion, according to official Army reports which I publicly released on Monday. The latest estimate for a one-site ABM system is \$5.67 billion.

Apparently, either the Army's original estimate of the cost of Safeguard was fraudulently low or the military is so botched up in its management of the program that costs have risen billions of dollars.

According to the information provided to me by the Army, the increased costs are the result of the following changes: \$790 million increase for inflation since 1969; \$697 million increase cost caused by delays in the actual deployment of the ABM system; \$362 million cost increase resulting from increased support costs and buying additional spare parts and electronic gear; \$34 million resulting from changes in the ABM design; \$159 million increase needed to pay for ABM development and construction after 1975; \$49.7 million held in reserve for the planned termination ABM site at Malmstrom Air Force Base; \$163 million resulting from so-called estimating changes; and a decrease in cost of \$722 million resulting from the decision to build one ABM site instead of two.

Frankly, Mr. Speaker, I am suspicious that the Army's explanations of cost increases may be an attempt to cover up serious cost overrun problems. Undoubtedly, some of the \$1.5 billion increases are probably legitimate and unavoidable because they were caused by either the restrictions imposed by the SALT treaty or specific orders from Congress. But, much of the increase is probably the result of the Army's mismanagement.

Mr. Speaker, my suspicions in part arose due to the contract data on the Safeguard program which I publicly released on Monday. The contract costs are a part of Safeguard's total cost of \$5.6 billion and all contract costs are included in the total Safeguard estimate. The contract data indicates that numerous cost overruns have been incurred undoubtedly resulting in increases of hundreds of millions of dollars.

For instance, one contract with Western Electric was originally worth \$202.3 million but today it is worth \$1.9 billion. While some of the cost increases are automatic, many appear to be the result of the Army's mismanagement of the program. Some of the increases on the contract were caused by, in the Army's words, the need to "resolve problems arising during assembly, installation, and testing of hardware." This is an admission by the Army of serious overruns although the exact amount has not been disclosed. In view of my suspicions concerning the extent of cost overruns, I am asking the General Accounting Office to investigate the cost increases on the Safeguard contract. Specifically, I am asking GAO to determine how much of the \$1.5 billion increase was "unavoidable" and how much was the result of the Army's mismanagement and waste.

#### DISPOSAL OF COPPER FROM STOCKPILES

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, today I am introducing a measure which would authorize the immediate disposal of copper from the national and supplemental stockpiles and limit the exports of copper and copper scrap during years when sales are made from the national stockpiles or during any period when price controls are in effect and the U.S. prices for copper are lower than those in other world markets.

Mr. Speaker, this measure is urgently needed for immediate relief of a serious copper shortage from which the United States is now suffering but which the consuming American public will not be aware for many months. I have received numerous telegrams from manufacturers in my district which relate that their operations will have to be cut back and planned plant expansions curtailed unless something is done immediately to increase the domestic supply of copper.

The Wall Street Journal of July 23 has an article which explains the seriousness of the shortage. Wednesday's New York Times business section carries a lead article which relates how Anaconda Copper plans to cut its August deliveries because of the copper shortage. The articles state that because of the difference between the regulated 60 cents per pound for copper in the United States and the nearly \$1 paid on the London metal market, there is a shortage of copper at home. This problem is aggravated by the export of copper scrap.

Mr. Speaker, it makes absolutely no sense for the U.S. Government to freeze the price of copper at 60 percent of the



word market price and allow the export of copper scrap. Plants will be forced to shut down in the United States if the situation is not corrected immediately. What good does it do us to freeze prices of basic metals if we are forced to close our factories as a result. We are headed for a depression unless someone at the Cost of Living Council, or the Department of Commerce, or the White House begins to realize what is happening to the American economy.

What is happening is difficult to understand because it has not happened before. The United States has for the past hundred years been an importer of raw materials and an exporter of manufactured goods. Now, suddenly, other countries throughout the world are developing manufacturing industries. And as we all know their labor costs are lower than our own. Furthermore, much of their plant capacity is new while much of ours is over 20 years old. This gives them the competitive edge in the world markets. The only advantage that we in the United States have is our tremendously large capital base, our advanced marketing techniques, fine information systems, advanced technology and the educational levels of our people. If we do not use these tools to our advantage, those new developing countries will outbid us for raw material and foreign factories will continue to displace our own. Mr. Speaker, I do not want that to happen. Its time for all of us to realize that the vacation is over. Its time to go to work again, America. And we in the Congress should be ready to lead the way.

We must realize that we are not in a cost-push inflationary period. Today's higher prices which we see posted daily are not due to higher wage demands by workers. They are due to increased demand for the agricultural goods and raw materials which our economy is dependent upon. We are now experiencing a period of demand-pull inflation.

And since the devaluation of the dollar, that demand is very strong. Foreign buyers now find American agricultural products relatively cheap. They are able to take the dollars which they earned by selling us television sets, automobiles, and furniture and use them to bid against the housewife for the wheat we use to make our bread, and the soybeans which we use to feed our cattle, as well as against the copper refiner for scrap copper.

There are many short-term solutions to today's economic problems. These include manipulating imports and exports of capital, raw materials, and manufactured goods. But they are only short-term solutions. We must begin to think in terms of deregulating prices and rebuilding much of our industrial base.

The bill I am introducing today is only a short-term solution. But it is needed now if we are to avert a major crisis in one of our basic industries.

#### **COLLAPSE OF FPC AS DEFENDER OF CONSUMER**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 10 minutes.

Mr. BROWN of California. Mr. Speaker, I would like to bring to the attention of the House recent events which indicate some hope in the midst of the serious decline, if not a total collapse, of the Federal Power Commission as an independent and vigorous defender of the American energy consumer.

I have been following in detail the actions of the FPC for some time and I have discussed these actions before the Senate Antitrust and Monopoly Subcommittee and the Senate Commerce Committee earlier this year.

As is widely known, the FPC has gone along with the petroleum industry and permitted the well-head price of new natural gas to triple in the last 3 years, without any evidence to indicate that such a price rise will benefit the American public. These escalating prices have only resulted in massive windfall profits to the oil and gas producers and have not increased the supply of natural gas by a single MCF.

What is even more shocking is the fact that these price increases have been approved by a Commission dominated by men whose careers are closely tied to the oil industry and who must return to that industry after their terms at the FPC expire.

Now, in a refreshing series of decisions, two courageous administrative law judges have taken on their superiors on the Commission. In two unpublished decisions made last week, Administrative Law Judges Fribourg and Litt turned down industry applications for still another natural gas price increase.

These decisions, however, go beyond a mere denial of the oil and gas industry's request for higher prices. They acknowledge that the FPC has been bowing to a strategy of blackmail devised by the oil and gas producers, whereby those producers threaten to withhold their gas from the market, unless the price for the gas is increased. As Judge Fribourg puts it:

In the present economic situation . . . the producer of natural gas has the consumer by the throat except for such protection as regulation may offer.

But he notes that previous orders of the Commission may have reduced regulation "to the state of a slightly inconvenient formality."

Judge Litt, in his opinion in the C. & K. Petroleum case courageously acknowledges that it is the FPC's own actions over the past several months that has provided the incentive to the industry to keep gas off the market and the pipelines in a curtailment situation. As Judge Litt notes:

The problem, therefore, is . . . the climate of increased expectation for higher prices fostered by the standards set under the very orders designed to alleviate the emergency (shortage of natural gas).

I would like permission to submit the full texts of these decisions into the Record.

The House should carefully watch how the full Commission decides these two cases. Here we have two objective professionals, close to the facts, deciding that these price increases are not only unwarranted, but that they in effect constitute blackmail encouraged by the re-

cent FPC decisions permitting huge gas price increases.

If the Commission reverses these decisions, the congressional intent to have vigorous regulation of the gas producers will have been thwarted and will create yet another clear challenge to congressional authority.

The texts of the decisions follows:

[Docket No. CI73-691]

UNITED STATES OF AMERICA, FEDERAL POWER COMMISSION V. ATLANTIC RICHFIELD COMPANY

PRESIDING JUDGE'S DECISION ON CERTIFICATE APPLICATION

[July 23, 1973]

APPEARANCES

Edward J. Kremer, Charles E. McGee, John T. Ketchum and Robert J. Haggerty for Atlantic Richfield Company.

Raymond N. Shibley, James J. Flood and John T. Townsend for Trunkline Gas Company.

Glenn W. Letham for the Staff of the Federal Power Commission.

Fribourg, Presiding Administrative Law Judge:

#### **I. The Application and the Evidence**

Atlantic Richfield Company (Arco) has applied under Section 7(c) of the Natural Gas Act<sup>1</sup> and Commission Order No. 431<sup>2</sup> for authority to sell 75,000 Mcf of gas per day at 50¢ per Mcf for six months with pre-granted abandonment. The buyer is Trunkline Gas Company (Trunkline).

The gas is from the Pledger Field in Brazoria County, Texas, where the current area rate is 24¢ per Mcf. The field is served by and is accessible to numerous pipeline companies, both interstate and intrastate. Arco sold gas from it on December 6, 1972 at 35¢ per Mcf under a 60-day contract with Florida Gas Transmission Company, followed by another 60-day sale beginning February 11, 1973, at 50¢ to Texas Gas Transmission and still another 60-day sale beginning April 12, 1973 at 50¢ to Trunkline. The gas is currently being sold to Pennzoll Pipeline Company, an intrastate carrier, at 50¢ per Mcf on a day-to-day basis.

The present application is considerably larger than most of the recent ones of its kind. The contract is cancellable by the buyer or the seller if approval is not granted by September 1. The application was filed on April 12, 1973, but was not set for hearing until July 2.

Arco seeks to justify the price on the ground that it is the going price in the area. Its witness testified that negotiations with prospective purchasers developed bids ranging from 45¢ to 55¢.

Trunkline presented a witness who testified as to the pipeline's difficulty in buying enough gas to maintain its reserve position, which has shown a steady decline in recent years. Its reserves have dropped from 6,069 billion cubic feet (Bcf) at the end of 1967 to 4,830 Bcf at the end of last year.<sup>3</sup> It is currently in a curtailment position and expects to curtail its customers by amounts ranging from 422 to 531 MMcf per day during the period from July, 1973, through March, 1974. It foresees no likelihood of any other short-term purchases in any significant amounts. Its longer-term project, Stingray Pipeline Company, formed by Trunkline with Natural Gas Pipeline Company, is not expected to begin deliveries until late 1974 at the earliest.

The staff has moved that the application be dismissed on the ground that it has not been shown that the proposed price is required by the public convenience and necessity, or that Trunkline is in an emergency situation.

<sup>1</sup>Footnotes at end of article.

## II. The Price

Both Arco and Trunkline argue for approval of the price on the ground that it is the prevailing market price. Neither had prepared any cost study and no witness proffered any cost evidence, or was able to testify on costs. Nor is there any evidence as to any other economic factors related to the financial interests and needs of either the buyer or seller except the claim that the 50c price represents the current market. There is, for instance, nothing as to the return or profits the producer has been earning under the 24c area rate or what the return or profit would be at the 50c rate, or whether 50c is necessary to maintain credit or attract capital, if capital be needed.

It is not an unreasonable assumption that the omission was purposeful. The area rate decision<sup>4</sup> can hardly be so out-of-date as to require a price rise from 24c to 50c if the same approach is to be taken. Costs have been ignored because it cannot be thought that they would justify the proposed price. Its proponents obviously do not think anything would justify it except a statement of what the traffic will bear. The threat that Commission disapproval will deprive the interstate market of this gas is no idle one.

In November or December of 1972 Arco decided to sell the gas to an interstate rather than an intrastate pipeline, "other things being equal." Its witness first testified that consideration would be given to the curtailment problems of the various prospective purchasers, and then modified this to say that interstate purchasers on the whole were having larger volumes of curtailment than intrastate.

Also, he added, it desired to support the procedure set up by this Commission in Order 431, under which this hearing was held. It was Arco's feeling that the 431 procedures should continue until natural gas is deregulated. In the event of deregulation, Arco's witness testified, Order No. 431 would no longer be needed.

It may also be true that if Order No. 431 operates as Arco would have it operated there would be no need for deregulation. If the seller can obtain the full free-market price, regulation is reduced to the status of a slightly inconvenient formality.

The Congressional intent was otherwise. The purpose of the Natural Gas Act was to underwrite reasonable rates to the consumer of natural gas. *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591 (1944). There is nothing new about the present situation, including the threat. It is the same threat to which the Commission bowed in 1957, resulting in a reversal by the Supreme Court in a case involving the predecessor of the present applicant. *Atlantic Refining Co. v. Public Service Commission of New York*, 360 U.S. 378 (1959). There, too, the producers announced that unless their price was accepted, the contracts would be terminated, with the consequent loss of natural gas supplies which the Commission found were greatly needed in the interstate market. *Id.*, at p. 386.

It will doubtless be argued that the industry's situation has changed since then, that the public is in dire need of the gas and that disaster will follow if the certificate is refused. The question of emergency is discussed in the following section.

Whatever the emergency, the question of price is still material, as the Commission is well aware. Its order of July 2, 1973 setting the matter for hearing contained the following language:

It is of critical importance that interstate pipelines procure emergency supplies of gas to avoid disruption of service to consumers; nevertheless, we must determine whether the rate to be paid serves the public convenience and necessity.

Thus the Commission recognized, as it recognized long ago, that

"... The fact that contracts have been entered into in good faith and in arm's-length bargaining does not make them immune from the regulation in the public interest prescribed by Congress, nor are producer contract terms per se an indication that the prices agreed upon are just and reasonable." \* \* \* *Bels Oil Corp. v. Federal Power Commission*, 255 F.2d 548, 550, (C.A. 5, 1958), cert. den. 358 U.S. 804.

Approval of the present contract terms on this record would mean not regulation but an abdication of the powers with which the Commission is charged. Some indication of how ardently this result is desired is shown by the evidence.

Arco's witness testified that Texas Eastern Transmission Company bid 55¢ per Mcf for this gas. When asked why that bid was not preferred to the one that was accepted, he answered that Arco believed that the Commission would approve a 50¢ price without a hearing. The following colloquy ensued:

PRESIDING JUDGE. You mean a hearing such as the one we are going through now?

THE WITNESS. Yes, sir, unfortunately we did not expect a hearing on this one either. Obviously we were wrong, but we have been wrong before.

PRESIDING JUDGE. It was worth a nickel an Mcf not to go through a hearing, is that it?

THE WITNESS. At the time, yes, sir.

PRESIDING JUDGE. How about right now?

THE WITNESS. Right now, I am not sure I would go interstate.

The above passage exemplifies some, but not all, of Arco's desire to avoid regulation that this record shows. It shows that United Gas Pipe Line, which was in a far more severe curtailment situation than Trunkline, made a bid identical to Trunkline's. The bid was refused because Arco learned that United expected its customers to intervene before the Commission in opposition to such a sale. Trunkline indicated that there would be no opposition and in fact there was none.

It is of course quite proper for Arco to accept the bid that would cause it less trouble. The point is that its action emphasizes the need for the most searching examination by the Commission.

Even on Arco's own criterion of field price, the present price is unjustified. Staff's Exhibit No. 7 shows the limited-term contracts filed so far in 1973 in connection with applications for certificates having pre-granted abandonment clauses. The vast majority are at prices below 50¢. That is true of most of the contracts dated even as late as April or May. Furthermore, virtually all of them are for longer periods than the present contract.

In the present economic situation, where the producer of natural gas has the consumer by the throat except for such protection as regulation may offer, the best protection may lie not in the Natural Gas Act at all but in the Economic Stabilization Act. Application of that act would eliminate much of the threat of shifting gas to the intrastate market, because its price limitations would presumably be equally forceful as to any sale, interstate or intrastate. The regulations, however, are so new that there has been no time to consider their effect. No certificate should be granted until this is done.

It may be noted incidentally that Trunkline's Zone 1 Tariff, applicable to Panhandle Eastern among others, calls for the sale of gas at 33.78¢ per Mcf as the commodity portion of a two-part rate, and at 46.66¢ on a straight one-part rate. In Zone 2 (Consumers Power among others) the corresponding rates are 35.89¢ and 51.62¢. Most of Panhandle's industrial sales are at rates below 50¢, with the 1972 average for its 50 Bcf of industrial sales being 44¢ per Mcf.

On consideration of all the foregoing, this certificate should be denied for failure to

prove that the proposed price is required by the public convenience and necessity. No basis exists in the record for offering a conditioned certificate.

## III. The Emergency

Order No. 431, as embodied in Section 2.70 of the Commission's Rules of Practice and Procedure, provides that the Commission will consider limited-term certificates with pre-granted abandonment (i.e., the type here requested), if the pipeline demonstrates emergency needs after complying with certain requirements. Among these are (1) the submission of a curtailment plan and (2) consideration of curtailment of volumes equivalent to all interruptible sales and of large boiler fuel sales where alternate fuels are available.

Trunkline has indeed submitted a curtailment plan and put it into effect. It is not, however, an end-use curtailment plan. Curtailment is applied first to its interruptible customers, which constitute a very small percentage of its sales, and then to its firm customers.

Those firm customers include its parent company, Panhandle Eastern Pipe Line Company, which accounted for 43% of its 1972 sales. An approximately similar amount went to Consumers Power Company. The remainder went to such companies as Northern Indiana Public Service Company, Mississippi River Transmission Company, Central Illinois Public Service Company and possibly 35 or 40 small general service customers.

Both Panhandle and Consumers have large industrial sales. In 1972, for instance, Panhandle sold 50 Bcf to industrials.<sup>5</sup> Trunkline supplied 27% of all the gas that Panhandle produced or purchased.<sup>6</sup> It would appear that 13.5 Bcf of Panhandle's industrial sales were sales of Trunkline's gas.

Even if we accept as true the estimates of Trunkline's witness that without purchase of the Arco gas Trunkline's curtailments would rise to 550 MMcf daily, there is still no showing that Panhandle's or Consumers Power's interruptible and boiler-fuel customers would be off the line, and that as a consequence none of Trunkline's gas would go to such uses. The record shows that at present the interruptible load on the systems is being pinched, but not wholly eliminated.

There is furthermore no showing of whether alternate fuels are available for the use of Trunkline's customers under curtailment. Thus the record is silent as to the effect of the purchase on ultimate consumers, particularly residential consumers. In *Nueces Industrial Gas Company*, 45 F.P.C. 1224 (June 30, 1971), the Commission said (at p. 1228):

"... our criterion in this case is that the record shows that residential gas sales by distributing companies may be curtailed without the Nueces gas."

Such a situation would constitute an emergency. There is no such showing here.

## IV. Additional Findings and Conclusions

The application was filed April 12, 1973 and the order setting it for hearing was not issued until July 2. Hearings were held July 16 and 17. The delay in the issuance of the order, combined with the September 1 deadline (after which either party can cancel the contract), caused the participants to agree to a shortened time for exceptions and answers thereto. Briefs to the Presiding Judge were waived.

Exceptions to this decision will be due to be filed with the Commission and served upon counsel for the parties on the eighth day after issuance of the decision, i.e., if the issue date is on a Monday, filing and service will be due a week from the following Tuesday. Answers to exceptions will follow a like eight-day schedule from the day exceptions are due.

The Staff moved to dismiss the proceedings for lack of proof. It seems probable that the motion is well taken, but in view of

Footnotes at end of article.



what has been said herein the better course appears to be a denial of the application.

It is further found that Atlantic Richfield is a natural-gas company subject to the jurisdiction of this Commission. The same is true of Trunkline.

#### V. Order

Wherefore, it is Ordered, that the application be, and it hereby is, denied.

ARTHUR H. FRIBOURG,  
Presiding Administrative Law Judge.

#### FOOTNOTES

<sup>1</sup> 15 U.S.C. 717f(c).

<sup>2</sup> Section 2.70, General Policy and Interpretations, 36 F.R. 7505, April 21, 1971, as amended by Order 431-A, 37 F.R. 15857, August 5, 1972.

<sup>3</sup> It is perhaps worth noting that of the 660 Bcf decline in 1972, 178 Bcf is accounted for by a re-evaluation of the amount of reserves. There have been other downward re-evaluations in recent years. The actual drop, however, is still sufficiently severe.

<sup>4</sup> Area Rate Proceeding, et. al., (Texas Gulf Coast Area), Opinion No. 595, May 6, 1971, 45 F.P.C. 674, Opinion No. 595-A, October 18, 1971, 46 F.P.C. 827.

<sup>5</sup> Panhandle Form 2, 1972, pp 519, 519A, 520, 520A.

<sup>6</sup> Id., p. 568.

UNITED STATES OF AMERICA, FEDERAL POWER COMMISSION, v. C. & K PETROLEUM, INC.

[Docket No. C173-697]

PRESIDING ADMINISTRATIVE LAW JUDGE'S INITIAL DECISION DENYING APPLICATION

[July 19, 1973]

#### APPEARANCES

Martin Allday for C & K Petroleum, Inc.  
Albert S. Tabor, Jr., James W. McCartney and Jack D. Head for Transwestern Pipeline Company

Gregory Letterman for the Federal Power Commission Staff

Litt, Presiding Administrative Law Judge:

By application filed April 16, 1973, C & K Petroleum, Inc. (C & K), seeks a certificate of public convenience and necessity (pursuant to Section 7(c) of the Natural Gas Act (15 USC 717f) and Section 2.70 of the Commission's General Rules (18 CFR 2.70)),<sup>1</sup> authorizing the sale for resale and delivery of natural gas in interstate commerce to Transwestern Pipeline Company (Transwestern) from its No. 1 Vandiver COM Well in Eddy County, New Mexico (Permian Basin). Specifically, C & K seeks authorization to sell Transwestern up to 12,000 Mcf/d of gas at 14.65 Psia for 54.25 cents per Mcf for one year commencing on June 25, 1973.<sup>2</sup> The application seeks pre-granted abandonment.

A hearing was held on July 13, 1973, and all parties and the Commission's Staff have waived filing of briefs.<sup>3</sup>

C & K and Transwestern argue that they have met their burden of proof under Section 2.70 of the Rules showing that (1) Transwestern needs the additional gas supply on an emergency basis to meet firm contract commitments, and (2) the price was arrived at through arms-length bargaining and, consequently, represents the true market price of the gas. While Transwestern relies initially on the Commission's finding in Docket No. C173-658, *Gulf Oil Corporation* (decided May 21, 1973), that an emergency exists on its system, it also tendered a witness who testified as to continuing demand and decreased supply. Staff opposes granting the application, arguing that applicant has not demonstrated that the price sought is the "... requisite payment that an interstate pipeline must pay to take the gas away from an intrastate pipeline and no more" and that no emergency has been shown to exist on this record in the Transwestern system (Tr. 103). Staff admits that without this and other similar short-term "emergency"

purchases Transwestern "will have to curtail below their contract requirements" but avers that this does not "justify the existence of an emergency as we would construe that term."

Section 2.70 of the Commission's Rules provides that "the Commission will consider limited-term certificates with pre-granted abandonment, if the pipeline demonstrates emergency need, . . .", after undertaking, among other things, to fill all storage fields, and report on it to the Commission, with curtailment plans if necessary. Specific criteria for pricing emergency purchases are not mentioned in Section 2.70.<sup>4</sup> The Commission, however, in *Nueces Industrial Gas Company*, Docket No. CP71-267, 45 FPC 1224 (1971), indicated that the price should be "no higher than necessary to elicit the supply of gas offered, which Nueces would otherwise sell to intrastate customers. . . ."

There is substantial evidence of record that an "emergency" exists on the Transwestern system as that term has been used in Commission orders entered pursuant to Section 2.70 of the rules. See *Nueces*, *supra*. Absent the emergency purchase involved here and other similar purchases, Transwestern will be unable to meet its firm contract commitments to its customers (Exhibits 4, 5, and 6). Thus, while Transwestern has not adduced evidence as to end use of its customers or of its customers' customers, it has met the standard of showing that its existing supply is insufficient to meet its firm certificated sales. No case has been referred to by Staff showing that more proof is necessary and the Commission's discussion in *Nueces* is predicated solely on firm contract commitments. Additionally, while the *Gulf* case does not render the issue *res judicata* in that that proceeding was uncontested, not formally heard, and limited to a prior period of time, the Commission did make a finding that an emergency did exist on the Transwestern system during May 1973 and weight must be accorded that finding.

Turning to price, the facts in this case are that C & K has made a significant discovery of gas (8-10 Bcf) in an area of interest to, but not presently served by, intrastate pipelines. While there is little question that if, in the future, additional gas reserves are discovered in proximity to its No. 1 Vandiver COM Well or in nearby gas fields, intrastate pipelines could bid for C & K's gas, they cannot, and have not, effectively done so at this time. This situation could change almost overnight according to C & K's and Transwestern's witnesses if other wells now being drilled, or to be drilled, in the same field are successful. Nevertheless, the record shows that the only realistic competition as of now is from another interstate pipeline, Natural Gas Pipeline, and that the price is higher than that necessary to compete with the intrastate market. Since the primary underlying rationale upon which limited-term certificates are to be granted at higher than area rates is predicated upon intrastate competition, absent such immediate competition the application must be denied.

Intrastate pipeline competition, however, is not the only reason why a producer may not choose to sell his gas to an interstate pipeline. The fact of the matter is that the seller is in a preeminent market position and may be able to refuse an offer of an interstate pipeline where there is no extant intrastate purchaser. This is so because there is a strong possibility that the carrying costs for holding gas off the market are so low compared to future possible benefits—whether waiting for intrastate pipelines to penetrate the market or for the Commission to raise rates—that the producer may shut in the well if the application is denied even if he has no other immediate market. See *Apache Exploration Corporation*, Docket No. C173-677, Initial Decision issued July 10, 1973. Here, for example, the investment in the No. 1 Vandiver COM Well is \$185,000 with a

possible gross revenue of \$2,160,000 (8 Bcf x 27 cents/Mcf) at the current ceiling rate as against \$4,340,000 (8 Bcf x 54.25 cents/Mcf) at the proposed rate. Assuming no pressure from its royalty owners, field drainage problems, etc., preventing C & K from shutting in the well, the carrying costs at even 20% interest is less than \$40,000 annually against a possible gain of over \$2 million. If there are 10 Bcf of reserves, the high side of C & K's reserve estimate, the comparison is the same \$40,000 compared to approximately \$3 million additional gross revenues.

The problem, therefore, is not only the competitive pressure from the intrastate market but also the climate of increased expectation for higher prices fostered by the standards set under the very orders designed to alleviate the emergency—Orders Nos. 431 and 431-A. The extent of this expectation of future price rises is that for all intents and purposes Transwestern has not entered into any significant long-term purchases recently and that no price can be offered by Transwestern for new gas in the Permian Basin at less than the highest price offered by it to other producers. In these circumstances, the negotiated price will be, if it is not already, the highest price in the area recently negotiated with either the regulated or unregulated market. Stated differently, the lowest possible price will be close or identical to the highest market price.

One other matter requires consideration here. It is by no means clear that the public interest is best served by having interstate pipeline supply reduced to dependency on short-term emergency purchases at ever increasing prices. It may be that producer incentive for exploration and development can only be realistic at rates in excess of 54¢ an Mcf in the Permian Basin. But, in view of the Commission's discussion in *Belco Petroleum Corp.*, Dockets No. C173-293, decided May 30, 1973, it is more likely that a price substantially less than 54¢ would be adequate to motivate requisite producer activity. As long as an unregulated intrastate market exists, or the constant carrot of increased wellhead prices is held out to producers, this concept will never be tested. As already indicated, producers will not make long-term commitments to the interstate market in this climate, and price consideration under Section 2.70 can only be considered as a temporary restriction on the most rapid escalation of price obtained by those producers in the best bargaining position.

In sum, under the standards applicable in Section 2.70 proceedings for testing proposed prices, it is difficult to see how any price less than market price could be turned down by this Commission except in isolated cases, such as here, where the intrastate pipeline has not yet penetrated the area. Perhaps, as a suggestion, a limitation on price based upon either area rates or Optional Pricing considerations pursuant to Order No. 455 should be imposed as the upper limit on so-called "limited-term" sales. Regulation of the intrastate market would be a better course, but, absent such regulation, the standard applicable in Section 2.70 cases should be construed so as to preclude what could become an almost automatic granting of these applications.

In view of the conclusions and findings made above, upon review of the record as a whole, it is found that applicant has failed to prove that the public convenience and necessity require a grant of the proposed certificate.

#### ORDER

Wherefore, it is ordered, that the application be, and it is hereby, denied.

NAHUM LITT,  
Presiding Administrative Law Judge.

#### FOOTNOTES

<sup>1</sup> Section 2.70 provides for, among other things, the certification of emergency purchases of natural gas under "Measures for

the Protection of Reliable and Adequate Gas Service." This rule was promulgated in Orders Nos. 431 and 431-A.

<sup>2</sup> Pursuant to Section 157.29 of the Regulations, sixty-day emergency deliveries to Transwestern commenced on April 26, 1973, and are continuing under a sixty-day extension.

<sup>3</sup> The parties stipulated to an accelerated schedule of 11 days from the date of entry of the Initial Decision for exceptions and 11 days thereafter for replies thereto.

<sup>4</sup> Cost is not at issue and no effort was made to demonstrate that the 54.25 cents/Mcf was based on cost.

#### FRANK M. BRANDSTETTER

**THE SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 5 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, it is with great pleasure that I bring to the attention of my colleagues the recipient of a Religious Heritage of America award, Frank M. Brandstetter, my friend and an outstanding American.

A native of Hungary, Frank has served his adopted country well, both during World War II as a staff aide to General Ridgway, and later in a variety of humanitarian efforts. He is currently the vice president and managing director of the Las Brisas Hotel in Acapulco and has truly used his position for the benefit of the community there. Among other things, he has heavily supported the nearby orphanage of La Casa Hogar Del Nino and has employed these children at his hotel, thereby not only helping them with their own support but also teaching them about the hotel business.

Frank was recently honored with the presentation of the "Business and Professional Leader of the Year Award" at the 23d national awards program of the Religious Heritage of America held at the Washington Hilton Hotel. Because of the timely significance of his acceptance speech, I would like to share it with you at this time:

SPEECH BY FRANK M. BRANDSTETTER,

Thank you, Mr. Stone, for your kind remarks.

Dear Fellow Americans: I am profoundly grateful for the Religious Heritage of America Award; and I express my thanks to the committee which chose me.

The essence of religion is to worship God, to follow moral guidelines in our lives; and thus to perfect ourselves by seeking goodness in everything. But the seeking cannot be a passive philosophy. We must reach out to grasp perfection in our own actions, in our relationships with others, in our work, in our mental attitudes.

It is a ceaseless striving. We cannot attain the best unless we work at it. We must be aware of the principles of justice and integrity. More—we must commit ourselves with our whole heart to their realization: Justice and integrity. This awareness and this commitment are the rocks upon which all religious faiths inspire their followers to be good citizens of our "beautiful, yes—beautiful" United States of America! Only a religious faith as solidly based as this, can be a vital force in our lives.

The bicentennial of this Nation is 1976. Two hundred years of democracy—a government by and for the people. But some do not believe this and they see signs of decadence; for them there is a loss of self-confidence and self-assurance.

We, as a nation and a people, are faced with many problems. Only strong religious faith is our weapon to overcome them. There is nothing so desperately needed at the present time as a renewal of religious faith; and a renewal of hope in our democracy!

Our Founding Fathers demanded justice and integrity, truth and individual dignity. Let every American be brave and valiant and personally overcome the challenge against our Nation. How? This question is answered by a constant striving for perfection in his or her responsibilities; and thus they will exemplify a loyal leadership! And this collectively is the life of our Nation as a free Democracy dedicated to justice and integrity. My dear fellow Americans, there is a solemn obligation upon each citizen to give this Nation "a vote of confidence and loyalty"; and to have a personal renewal of hope in this great nation! Proudly speak the words: "Beautiful America", because we have a Constitution and laws to protect and strengthen this Nation, United States of America, and may God bless our Country! Thank you!

#### DR. BOORSTIN ON WATERGATE

(Mr. YATES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. YATES. Mr. Speaker, Dr. Daniel J. Boorstin, who is on the verge of leaving his post as director of the Smithsonian Institution's National Museum of History and Technology, during which he served with great distinction, is one of our nation's most eminent historians. The author of many valuable and already authoritative books on American history, Dr. Boorstin's thoughtful views on the thrust of current happenings into the history of our country rightly deserve our serious consideration. He had occasion recently in an interview given to Congressional Quarterly to review the Watergate fiasco and the operations of the executive branch leading thereto. I believe his incisive views on the tremendous growth of the Executive Office of the President and its potential for abusive power as is now being demonstrated in the Senate hearings deserve the attention of every Member of Congress. The interview follows:

[From the Congressional Quarterly, July 7, 1973]

#### HISTORIAN DECRIES WATERGATE AS "CULT OF PERSONALITY"

Historian Daniel J. Boorstin sees the Watergate scandal as different—and more dangerous—than other typically American political misconduct because it suggests a rise in "the cult of personality." Boorstin, whose generally conservative views once found favor with Nixon administration officials, made this and other provocative statements about Watergate in an exclusive interview with Congressional Quarterly.

Although taking issue with those who see Watergate as the obituary of American civilization, Dr. Boorstin warned of the growth of presidential power and of executive branch power in general.

"In a practical way," he told CQ Editor William B. Dickinson Jr., "one of the questions which should arise immediately is the question of the nature of the Executive Office of the President. I think that should be subject to investigation and scrutiny. . . . The Executive Office of the President has expanded beyond all bounds and has tended to supersede the executive branch of the government."

Dr. Boorstin, who presently is director of

the Smithsonian Institution's National Museum of History and Technology and will become its senior historian this fall, said he could not believe that the responsibility of the office of the President is served by its proliferation.

"How many of these people and how many of these White House positions were simply superfluous?" Boorstin asked. "As I watched some of the Watergate hearings I kept asking myself what all these people—Dean and others—were doing there in the first place. Was there really an honest job there that needed doing?"

The interview follows:

#### DEMOCRACY AND DISCONTENTS

CQ. Dr. Boorstin, your newly published book bears the title, *The Americans: The Democratic Experience*. Knowing what you now know about the Watergate scandals, would you describe Watergate as typical or atypical of the American experience?

BOORSTIN. Well, I would rather say that it's a parable of "Democracy and its Discontents." With apologies to Sigmund Freud, I think the Watergate drama really is a symbol of many of the problems of democracy in a country like ours where we have the technology and the power to give everything to nearly everybody. What I mean by that is that democracy, like civilization itself, depends on the repression of many things. That is, it depends on self-denying ordinances, on people who have the power to do something refusing to do that thing. And I think there has not been another example, in recent history at least, of so vivid a drama of this aspect of the problem of democracy.

There's something to be noted, however, in view of all the self-flagellation and crying of woe of those who say that this is the obituary of American civilization, which, of course, it is not. We have to recognize that one of the distinctions between democracy and other forms of government is that while democracy is messy on the surface, other forms of government are messy underneath. In fact, in most countries in the world (I have recently visited Greece, for example) the sorts of things that are reported with such horror in the Watergate episode wouldn't even make the newspapers.

Now this, of course, is not to justify them at all. But it is simply to remind us that one of the characteristics of our society and one of the things in which we can take satisfaction is that violations of the rights of individuals, when they come to public attention, reach the whole community.

CQ. Many Americans seem to feel that Watergate is just politics as usual. Others see the series of scandals as unprecedented in American political history, profoundly different and more serious than previous misconduct. What do you think?

#### MISUSE OF POWER

BOORSTIN. Well, if we consider the problem of democracy to be essentially that of people in power refusing to use the power in ways that are not authorized and not decent and not constitutional, I would say that what makes this different from earlier problems in our society is that today the opportunities for the misuse of power are greater. Just stop to think for a moment about some of the central implements in the Watergate scandal. The most conspicuous was the Executive Office of the President. Why there are hundreds of people who write on White House stationery. This is a new phenomenon. In fact, it's a phenomenon which has astonished, and properly astonished, some senators who asked the counsellor of the President if he ever saw the President and he said he didn't. And I think there are something like 40 persons who bear some title such as counsellor to the President or assistant to the President or something of that sort. Now this is a relatively new phenomenon; the opportunity for



the President to get out of touch with the people who speak in his name.

The growth of presidential power, and of executive power in general, is symbolized in welfare legislation and in the increased activities of the federal government. Just think of some of the peripheral questions that have been raised. The SEC (Securities and Exchange Commission), for example, is an institution of recent creation. And, in fact, look at two of the main organizations that have figured so largely in the problem of the cover up. The Federal Bureau of Investigation, for example, didn't begin to come into existence until 1908. It was then reformed under Attorney General Harlan Stone in 1924 and didn't get its present title until 1935, I believe. The Central Intelligence Agency—the CIA—is another example of an organization that didn't come into being really until 1947 under the National Security Act.

And then, the techniques of electronic bugging. And here there is a rather interesting irony in that the crime and the punishment use the same technology. The crime of bugging is punished by a universal diffusion of the information about the people to everybody in the United States—also by electronic techniques. The opportunities to misuse power have increased. That means that for a functioning democracy the demand for self-control is greater than ever. Yet in Watergate we see the failure to repress primitive desires—the desire to kill off the enemy, the desire to follow the leader wherever he leads, the refusal to compromise with others, the lack of liberal charity toward your electoral opponent. All these things are dramatized. But it takes more self-control now because the opportunities to misuse power are greater and the opportunity for the leader to be separated from those who exercise it—from those who can speak in his name.

#### CONSCIENCE OF DEMOCRACY

CQ. The public seems to express its cynicism about the question of self-control with the phrase "everybody is doing it in politics." Is that a dangerous state of public mind?

BOORSTIN: Well, of course. This again is one of the curious problems of democracy. And it is the result of the development of the electronic media to a large extent. We used to think of the conscience as being a private, intimate, still, small voice within. Now the conscience of democracy becomes the whole community sitting in the living room watching what has been done. Now I think it is very important when we think of this as the conscience of democracy, which indeed it is, that we separate two things which can easily be confused. On the one hand there is what could be called the *conscience of the marketplace*—the people's feeling of outrage at the violation of common decency, of legal and constitutional rules.

And on the other hand, what might be called the *judgment of the marketplace*. The judgment of the marketplace is lynch law, and that is something we must beware of. So that while it is wholesome that the community should have an opportunity to be outraged at the spectacle of certain facts, and of certain crimes that have been committed, the judgment of the community and the force of law must still be scrupulously hedged around by technicality. And that's why the Founding Fathers, the people who wrote the Constitution, were so circumspect, for example, in describing the process of impeachment. They thought that it was not to be undertaken lightly.

CQ. A number of past historical incidents are cited as resembling Watergate: The Hayes election of 1868, the Teapot Dome are examples. What's the closest parallel you see between Watergate and other typically American political scandals?

#### "LAWLESS SHERIFFS"

BOORSTIN. Well, I don't think there is really a specific parallel. I think that there

has been a continuing tendency in American life, which I describe in *The Americans: The Democratic Experience* in a chapter entitled "Lawless Sheriffs and Honest Desperadoes." The circumstances of the United States being so vast a country with so many diffused agencies of law enforcement has tended to confuse the law enforcer with the violator of the law. It is an old American tradition (and not a good one!) for the sheriff to shoot first and investigate afterwards, on the assumption that if the man he shot was a suspicious character and not liked in the community he probably deserved it anyway. This is an ancient and traditional American procedure in the West, in old mining camps and frontier communities.

CQ. Now transferred to the White House?

BOORSTIN. Well, I think the earlier scandals have been distinct in at least one way—in that they tended to be connected with greed and with the desire of people to make something out of it—the Teapot Dome, something of that sort. But one of the frightening aspects of this is that so far, at least, none of those high in the government stood to make any substantial sums of money out of what was done.

This suggests the danger of what, in the Soviet Union, they call the cult of personality, which I think is not too far from one of the problems we've been discerning. Where loyalty to the leader seemed to override everything else. And it should be recalled that the committee that was involved was not the Republican National Committee but the Committee to Re-elect the President. And it was focused on the particular man, and this is one of the most disturbing aspects of it.

#### SEPARATION OF POWERS

CQ. One of the obvious effects of Watergate has been to undermine the effectiveness of the President very early in his second term. Are there any historical precedents for this and, if so, what are the implications for the balance of power between the Congress and the President?

BOORSTIN. One of the things that we've witnessed which has not been sufficiently pointed out is the great advantage that the nation has at the moment in having a fixed-term election. If this had been a parliamentary system the government would have fallen, there would have been, perhaps, another party put in power and then there would have been criminal prosecutions. The problem would not have been dramatized as a political problem. The members of Congress or Parliament as it might have been, who were in the party of the President, would have been interested to minimize the episode so that it wouldn't affect their re-election. They would have to go to the people to be re-elected. It would be in their interest to minimize.

Now, in the present situation, where we see such an even-handed concern among Republican and Democrats over this problem, this is to no small extent due to the fact that they're in there and that they are re-elected for a fixed term, especially the Senators—for a senatorial term—and that when they expose the misdeeds of the leader of their party in the White House, they are not thereby requiring themselves to go to the people and stand for election. So that there's a kind of antiseptics.

The separation of powers is proving itself in some interesting new ways, and I would say that one of the consequences of this, in public opinion, has been that whatever effect this may have had on the prestige of the presidency, the respect of the American people for the Congress has been increased. They can see the Congress as a vigilant Congress. The virtue of vigilance is certainly dramatized and the integrity of the courts is dramatized so that in quite a new way we have seen the wisdom—in almost an unsuspected way—the wisdom of the writers of the

Constitution in separating the powers this way.

Another interesting point also which comes up, which is something the political scientists always debate about, is the special problem in our kind of government where you can have a President of one party and a majority in both houses of Congress of another party. Recent American history should at least give political scientists some pause in this regard and, in this case, we see certain advantages in having this disparity without a paralysis of government. I think in several recent administrations we've seen that it is possible to get legislation. Under President Eisenhower we had a similar situation—with a President of one party and majorities of the other party in the Congress. There are even some advantages in having that division. In that way you have some scrutiny of the executive power and yet it remains possible for the executive to do some fairly dramatic and important things in foreign policy.

CQ. On the other hand, under the parliamentary system, the President or party leader would have been removed. And we may face the possibility of living with a President, who the public may decide has been discredited, for more than three years before a change. Does this bother you in any way? Is it fatal to our system of government to live with a President as powerful as he is in this kind of condition if it lasts for three more years?

BOORSTIN. Well, it certainly doesn't cheer me up. It's a discouraging thought, but in our society it is not disastrous. One of the great things about our form of government is that the nation doesn't stand or fall with the President. It was remarked during one presidential election that Divine Providence must watch over the United States, attested by the fact that we have survived the Presidents that we have had. That was said at the time of the election of President Lincoln. But this nation can survive all sorts of Presidents and its existence, fortunately, does not depend on the President.

#### 22ND AMENDMENT

CQ. Watergate, then, to you, doesn't reveal any fundamental weaknesses in the present system that require change by Constitution or by law?

BOORSTIN. I think the passage of the 22nd Amendment in the Constitution (limiting Presidents to two terms) was a mistake. I think that the proposal for a six-year term for the President is also misguided. I think one of the points in having a representative government is to have the elected person in power always subject to the possibility of being re-elected or not being re-elected. It's just conceivable that the President might have been more vigilant if he had known that he was going to be a candidate in another election or at least might be a candidate in another election.

That was a very short-sighted and, I think, malicious constitutional amendment. It doesn't belong in the Constitution. And I think that the notion that it is desirable to have a President who can give his full attention to the "presidency" and not worry about re-election is quite a mistake. What we want is a President who will be thinking about the prospects of re-election and will wonder what reaction the public will have to what he's doing as President. That's what we mean by representative government.

CQ. David Broder of the *Washington Post* has raised the same point in several of his columns. But it's not likely, is it, that this amendment will be repealed during the presidency of Richard Nixon or, at least, in a way that would enable him to seek re-election?

BOORSTIN. It's very unlikely that it will be repealed. The important thing is to realize that the President must consider himself to be subject to the public approval or disapproval. If he's a lame duck President and not

subject to re-election, and also if there is as little concern for the party as a whole as there seems to have been recently, then that removes one of the main incentives of the President to keep in touch with the public will.

CQ. There seems to be an impression that the quality of the men and women going into politics for elective office and into places like the White House or the Cabinet is lower today than in our past history. Is this a valid belief?

#### QUALITY OF POLITICIANS

BOORSTIN. No. The quality of people in politics today is as high as it ever was. You know the old quip that a statesman is a dead politician. It's our tendency to think that way but we have as high a quality of intelligence and integrity in the Congress, in the judiciary and in the executive branch, on the whole, as we've ever had. The demands are greater and many of the tasks are almost undoable. And obviously, the needs for people with a broad vision of the economic problems and the other problems are so much greater with the increase of the powers of government.

CQ. Are people getting the kind of government they deserve? In other words, to what extent do the people themselves bear responsibility for a Watergate and its offshoots?

BOORSTIN. There are two questions here. One is the question of public morals in general, and I don't think there's any dividing line. If we condone the violation of the rules of confidence—of confidentiality—and the laws by newspapermen—condone it and recognize it and admire it—then we are on the way to condoning similar acts among others, including government officials.

#### CREDIBILITY VERSUS TRUTH

CQ. We've seen over recent years a breakdown of credibility of almost all institutions—the church, the press, the military, the educational system—and even now the spectre of the final collapse of faith in government. How do we restore that faith in government, particularly among the young people whose cynicism and distrust of government may already be near a breakdown?

BOORSTIN. Well, may I suggest that part of the problem is contained in the way we are now accustomed to put the question. We talk about "credibility" and the "credibility" gap. From ancient times, the critics of democracy beginning with Plato have always said that democracy was apt to be too much concerned with appearances—the way things looked to people. Part of our problem is that we've become concerned with credibility rather than truth. People talk about the credibility gap. They should talk about the truth gap. And I think that the development of the public media, the development of the public relations profession and of advertising, and of all the things that we like to look at, enjoy looking at or can't help looking at, tends to put a premium on the believable rather than the true.

This is something that we must remind ourselves of, and I think that Watergate serves as an example of this too, in the sense that the concern of the cover-up was to produce a credible story. The impact of the hearings will depend on the credibility of the witnesses. But that's a different question. We will eventually reach the point—I hope—it's important to be sure that the government agencies do reach the point—not of talking about credibility but talking about truth. What were the facts of the case? Not what sounds good, or looks good enough for people to believe if they don't know any more than they do.

CQ. And you see that then as the key to restoration of the public faith in government—the return to truth?

BOORSTIN. Oh, I believe in truth and motherhood and all that. Don't quote me. But,

seriously, what I'm trying to describe as an historian is the large developments in our society that have led us to put a premium on what's credible rather than on what's true, and what looks good rather than what are the facts of the case.

The rise of advertising is a very good example of this, which I would call the rhetoric of democracy. If we define democracy as the effort to give everything to everybody, then in order to get things to people you have to persuade them that the things are worth having. You have to put the best light on things that you want to sell them. You then become preoccupied with appearances—with what looks good, with what sounds good. And you're going down that road of credibility. We have been led almost to assume by implication that it's good to be concerned with credibility—that it's good to be credible. That's the wrong way to put it. It's good to state the truth, but the ability to be credible is a dangerous ability—not a virtue.

#### ERVIN HEARINGS

CQ. In your new book, you use the phrase "mass producing the moment." Looking at the Ervin hearings in the Senate, how much of this is mass production of the moment? How much is image and how much is reality?

BOORSTIN. Well, I don't know. There are really two opposite problems. One is the problem of a flood of miscellaneous sensations brought to us day after day with the Ervin hearings. And, on the other hand, the power of the reporter to select—which is the case at a national convention when we have a reporter who can direct the camera to certain objects and ignore others. All this is bewildering to the citizen who doesn't know what to make out of it.

It's that bewilderment which is probably the curse of our situation, the fact that the citizen receives a flood of sensations which are "undeniable facts." This, of course, is something new. The assumption seems to be—which is, of course, an old American assumption—that if some of a thing is good then more of it is always better. If it's good for people to have some information about Watergate, then the more they have the better. But the question, of course, is what we mean by information. Information is not knowledge. Information is a flood of miscellaneous facts which reach a person before he or anybody else has had a chance to know what they might mean.

In the past, the great problems of political theory were the nature of sovereignty, the nature of property, the nature of equality and similar related questions. But, it seems to me, the essential problem of modern political theory is knowledge. Who knows what and why—and that has been dramatized in the Watergate. The crimes were committed to gain information and the additional crimes were committed to prevent information about the information-getting people. And finally, public conscience will be aroused by the exposure to information, by people seeing what's what. Although we take all this for granted, this is new. In the past, the question was who commanded the Army or what kind of property ownership there was or something of this sort. But now the overriding question is: who knows what and who can get that information and when?

CQ. How long will it take the public to assimilate and sort out all this information and come to some kind of conclusion in its own mind about what is involved?

BOORSTIN. Well, I don't know. You personify the public. I don't think there is any answer to your question. I can't think of the public as being a single entity as you describe it.

#### ELECTRONIC MEDIA

CQ. Would you try to report the Watergate story in a different fashion than you now see?

BOORSTIN. I have thought that the basic

problem that electronic media have brought to news reporting is: "Too much too soon." We are flooded with stuff before we know what it's about. And to expect a citizen to sort all this out is to expect the impossible. But it would be a public service if, as a self-denying ordinance, the networks would agree not to publish news until a week after it is reported. Give them a chance to sort it out, and the citizen too. There are not very many cases where the public interest requires that everybody in the nation should know something this week or today or this morning. The information gets to us because the networks are there. They have to fill up their time. And, of course, Watergate has been a godsend to the networks.

CQ. In a sense, Watergate did come to public attention somewhat through the mechanism you're describing. Certain events occurred a year or more ago and yet it took a lot of piecemeal reporting and assimilation before the whole scandal burst into public consciousness.

BOORSTIN. That's right. And that would be a confirmation of the special usefulness of what I would call the "delayed media." By contrast with the electronic media, the print media are delayed. That is, they don't reach everybody instantaneously, simply because it takes time to set up the type. It has to be edited and delivered to each person and so on. So that I would say that one of the many things about the Watergate episode is that it reveals a special role for the press in American life—especially after the coming of TV. This is an investigative role. And it is interesting to note how this came about. TV has actually increased the responsibility of the press in this direction. For the press can print information without having to show the picture of the person who gave the information and without our having to hear his voice. It's possible for them to go out and investigate it and present the thing at length with a lot of background.

Of course, there's another aspect to the hearings. While they are, on the whole in the public interest, they somehow exemplify one of the very problems which they are investigating. The cry of public interest—that the "national interest" (sometimes loosely called "national security") overrides the rights of individuals—is exactly the cry that was raised by those people in and around the White House. In trying to justify what they did in committing their crimes, they have talked about their worry over the public interest. But one of the things we mean by a constitutional government is a government in which the public interest is always subordinated to the private interests—the rights of individuals. And there is the danger in our enthusiasm, our eagerness, to uncover these particular criminal acts—that we may be tempted into the same vice ourselves. Although the hearings have been conducted with remarkable restraint, admirable non-partisanship, there's no way of conducting public hearings of the kind that the Ervin committee has been holding without infringing upon the privacy of individuals. I think that we must just watch our step. We must not let ourselves be led into the belief that the "public interest" always overrides. In that direction lies totalitarian disregard of the citizen. The so-called "public interest" is what was used to defend concentration camps and lynchings.

#### INSTITUTIONAL CONTINUITY

CQ. A final question. What do you see as the ultimate result of Watergate? Will it change our political institutions in any profound manner? Where is this episode going to lead us as a nation or as a people?

BOORSTIN. As a historian I am inclined to be impressed by the continuity of our institutions, and I am extremely skeptical when I read the obituaries for our nation. There has probably never been a scandal in American history which was not decried as the end of American civilization and the



destruction of all public and private morality. I think this episode has probably had the effect abroad of dramatizing our concern with certain standards of public morality. And in that sense it's probably been a good thing. And it has dramatized the power of Congress. It has dramatized the integrity of our courts and it will probably have the effect of making anybody who sits in the presidential chair be more scrupulous of his use of the government—of the powers of the presidency.

In a practical way, one of the questions which should arise immediately is the question of the nature of the Executive Office of the President. I think that should be subject to investigation and scrutiny. Perhaps there should be some committee investigating that. The Executive Office of the President has expanded beyond all bounds and has tended to supersede the executive branch of the government. Some drastic reconsideration of that is in order. American citizens in general do not realize the extent of the Executive Office.

The dangers of that growth have been dramatized in Watergate and in several ways. First, by making it possible for people to use or seem to use the authority of the President without his knowledge. And, then, by making it possible for a President to say (with some credibility) that he didn't know what was going on. That is an equally disastrous fact and one which should give us pause. The Executive Office of the President ought to be scrutinized. I cannot believe that the responsibility of the office is served by its proliferation. How many of these people and how many of these White House "positions" were simply superfluous? As I watched some of the Watergate hearings I kept asking myself what all those people—Dean and others—were doing there in the first place. Was there really an honest job there that needed doing?

#### ARMY NOT TO BLAME

(Mr. DORN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DORN. Mr. Speaker, in my remarks to the House on Monday by inference I indicated the Army may have had responsibility for the military records lost in the St. Louis fire. Mr. Speaker, this was an error on my part for which I humbly apologize to the U.S. Army. As a matter of fact the military records in St. Louis at the time of the fire were completely in the custody of the General Services Administration.

Mr. Speaker, we do wish to urge again that the Veterans' Administration automatically acquire the medical records of all military personnel upon discharge so that a duplicate could be maintained in the Veterans' Administration files.

Perhaps it would be feasible for these critical records to be either duplicated or transmitted to the VA while the records are still under the control of the Armed Forces. If this is not feasible, then consultation should begin with GSA, which operates and controls the buildings in which the inactive records are stored.

#### THE GAS BUBBLE—III

(Mr. GONZALEZ asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, all during the spring and summer months, the city of San Antonio and almost 400 other

customers served by the Coastal States Gas Co. have endured severe shortages of natural gas. Because San Antonio and other cities rely on natural gas to generate electricity, the gas shortage has created a very severe problem. San Antonio has been asked to cut back on electrical consumption by 30 percent—a task of enormous difficulty under any circumstances. Yet, if this is not done, we face in San Antonio the prospect of periodic blackouts that could last indefinitely.

Industries depending on gas, or on electricity, have been severely depressed by the failure of Coastal States to deliver the gas it contracted for. Cement plants depending on Coastal for furnace fuel have been forced out of business altogether—and along with them, contractors who have been unable to obtain adequate quantities of cement. Government installations have been forced to conserve electric power, to the point of making working conditions difficult at best. City street lights have been placed on short hours—this at the risk of increasing crime potential. Businesses have been forced to lower the amount of lighting in their offices, and to reduce the use of air conditioning—and homes have been subject to similar reductions. And no end of the emergency is in sight.

This happened, not because San Antonio was shortsighted enough to take on an interruptible gas supply contract, but because Coastal States is unable or unwilling to live up to its 20-year gas supply contract. The Coastal gas bubble has burst.

Yet what has happened to Coastal?

The Texas Railroad Commission is mulling the case over. It has forced Coastal to deliver enough gas to San Antonio to enable the city to avoid catastrophe—but very little more than that bare minimum. And the Railroad Commission has more or less politely asked Coastal to let it know how bad the trouble really is.

To compensate Coastal for this trouble, the Texas Railroad Commission has ruled that Coastal's intrastate subsidiary—which in fact is the part of the company responsible for the crisis—is a utility, entitled to a certain rate of return on its investment. In other words, the Commission has ruled that no matter how badly Coastal was mismanaged, no matter how huge its fraud has been, no matter how dishonest its deals were, is not to be penalized. No, indeed—the penalty is to be paid by the people of San Antonio and other cities affected by the huge fraud that Coastal has perpetrated.

Has Coastal made contracts at prices that it knew it could never honor? Then declare it a utility, so it can raise its prices regardless of its contracts.

Has Coastal made dishonest bids in order to eliminate honest competition? Then keep it in business by making it entitled to a certain and sure profit—a nice guarantee that other companies would have liked to enjoy, had they known how things really work.

Has Coastal lied about its gas reserves? Let it raise its prices to the sky's outermost limits, so it can buy now to furnish the gas it never owned, but sold anyway.

It seems strange that Coastal has done so well by the Railroad Commission.

You have to ask: Is this because the Commission is more interested in keeping Coastal alive than it is in protecting the people it has defrauded?

Is the Commission more interested in smoothing over bad management and illegal operations than it is in preventing similar scandals in the future?

Historically the Railroad Commission has been the friend of industry—restricting production so as to keep prices up, closely regulating how many wells might be drilled, encouraging the strict control of imports—and generally honoring whatever industry requested of it.

Has Coastal asked for salvation, and seen its prayers granted? The Texas Railroad Commission orders of the past few days indicate that the answer is "yes." Yes, Coastal has asked the good old Railroad Commission to save it—so that the people it has served so badly will pay for its mistakes and crimes—not the company.

Meanwhile, on another front, Coastal has engaged counsel to see what can be done to free it of any effective Federal action.

The Securities and Exchange Commission has had Coastal's stock suspended from trading since June 6. It has been investigating the company to see whether it has defrauded its stockholders the same way it has its customers. Coastal would like to get the SEC off its back. What better way to do this than hire as its attorney a former chairman of the SEC? Who might better know what strings to pull in the SEC to get the heat off, and quietly restore the company's stock to good graces? It is not that Manny Cohen is dishonest—just that he has influence, and Coastal has hired him in the hope that he has enough influence to end this embarrassing investigation into Coastal's tangled affairs.

The public has no powerful and well paid advocate to influence the SEC. The public has no close and long connections with the Railroad Commission. Who is to protect its interests? I wonder. In this great explosion of the Coastal gas bubble, it looks as if the public alone is going to get burned.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WINN (at the request of Mr. GERALD R. FORD), for July 30 and 31, 1973, 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. MITCHELL of New York) and to revise and extend their remarks and include extraneous matter:)

Mr. FINDLEY, for 5 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. CONTE, for 60 minutes, on August 2.

Mr. TAYLOR of Missouri, for 5 minutes, today.

Mr. GERALD R. FORD, for 10 minutes, today.

(The following Members (at the re-

quest of Mr. GINN) to revise and extend their remarks and include extraneous material:)

Mr. OWENS, for 5 minutes, today.  
Mr. GONZALEZ, for 5 minutes, today.  
Mr. POBELL, for 10 minutes, today.  
Mr. STOKES, for 5 minutes, today.  
Mr. ANNUNZIO, for 5 minutes, today.  
Mr. ASPIN, for 5 minutes, today.  
Mr. TIERNAN, for 5 minutes, today.  
Mr. MELCHER, for 5 minutes, today.  
Mr. BROWN of California, for 10 minutes, today.  
Mr. ROONEY of Pennsylvania, for 5 minutes, today.  
Miss HOLTZMAN, for 30 minutes, today.  
Mr. GAYDOS, for 30 minutes, July 30.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ZABLOCKI in three instances and to include extraneous matter.

Mr. YATES and to include extraneous matter, notwithstanding the fact that it exceeds 3 pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost \$627.

(The following Members (at the request of Mr. MITCHELL of New York) and to include extraneous matter:)

Mr. NELSEN.  
Mr. TREEN in three instances.  
Mr. WYMAN.  
Mr. SCHNEEBELI.  
Mr. ESHLEMAN.  
Mr. FREY.  
Mr. MCKINNEY.  
Mr. WIDNALL.  
Mr. ARCHER.  
Mr. ARMSTRONG.  
Mr. SMITH of New York.  
Mr. BROYHILL of Virginia.  
Mr. DU PONT.  
Mr. SPENCE.  
Mr. MITCHELL of New York in two instances.  
Mr. SYMMS.  
Mr. KEMP in two instances.  
Mr. ANDERSON of Illinois in two instances.  
Mr. COLLINS of Texas in three instances.  
Mr. HASTINGS.  
Mr. CARTER.  
Mr. FRENZEL.  
Mr. BOB WILSON in two instances.  
Mr. ASHBROOK in three instances.  
Mr. RONCALLO of New York in two instances.  
Mr. SCHERLE in two instances.  
Mr. STEELE.  
Mr. MICHEL in five instances.  
Mr. DERWINSKI in three instances.  
Mr. MARTIN of North Carolina.  
Mr. LUJAN.  
Mr. ABDNOR.  
Mr. RUPPE in two instances.

(The following Members (at the request of Mr. GINN) and to include extraneous material:)

Mr. ROBINO.  
Mr. GONZALEZ in three instances.  
Mr. RARICK in three instances.  
Mr. HUNGATE.  
Mr. BIAGGI in five instances.  
Mrs. SCHROEDER.  
Mr. ADAMS in two instances.  
Mr. FRASER in five instances.  
Mr. DINGELL.

Mr. BRASCO in five instances.  
Mr. MEEDS.  
Mr. WALDIE in two instances.  
Mr. SYMINGTON.  
Mr. HARRINGTON in four instances.  
Mr. OBEY in three instances.  
Mr. TIERNAN in two instances.  
Mr. JOHNSON of California.  
Mr. MOORHEAD of Pennsylvania.  
Mr. MAZZOLI.  
Mr. CHAPPELL.  
Mr. NEDZI.

#### 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. 1559. An act to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes; to the Committee on Education and Labor; and

S. 1828. An act to require that certain Federal offices be filled by appointment by the President by and with the advice and consent of the Senate; to the Committee on Post Office and Civil Service.

#### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1423. An act to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

#### ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 4 minutes p.m.) under its previous order, the House adjourned until Monday, July 30, 1973, 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:

1178. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on deliveries of excess defense articles during the third quarter of fiscal year 1973, pursuant to section 8(d) of Public Law 91-672, as amended; to the Committee on Foreign Affairs.

1179. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a Presidential determination waiving the regional ceiling on military assistance and sales to Latin American countries, pursuant to section 33(c) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

#### 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. RODINO: Committee of conference. Conference report on H.R. 8152 (Rept. No. 93-401). Ordered to be printed.  
Mr. PERKINS: Committee on Education

and Labor. H.R. 3927. A bill to extend the Environmental Education Act for 3 years; with amendment (Rept. No. 93-402). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. S. 1264. An act to authorize and direct the Secretary of the Treasury to make grants to Eisenhower College, in Seneca Falls, N.Y., out of proceeds from the sale of silver dollar coins bearing the likeness of the late President of the United States, Dwight David Eisenhower (Rept. No. 93-403). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 7949. A bill to extend the Emergency Employment Act of 1971 for an additional year; with amendment (Rept. No. 93-404). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 7265. A bill to provide for the operation of programs by the ACTION Agency, to establish certain new such programs, and for other purposes; with amendment (Rept. No. 93-405). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 511. Resolution to provide for the consideration of S. 1697. An act to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California. (Rept. No. 93-406). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 512. Resolution providing for the consideration of S. 1989. An act to amend section 225 of the Federal Salary Act of 1967 with respect to certain executive, legislative, and judicial salaries. (Rept. No. 93-407). Referred to the House Calendar.

Mr. TEAGUE of Texas: Committee of Conference. Conference report on H.R. 8510. (Rept. No. 93-408). Ordered to be printed.

Mr. EVINS of Tennessee: Committee of Conference. Conference report on H.R. 8947; with amendment (Rept. No. 93-409). Ordered to be printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Carolina: H.R. 9591. A bill to further the purposes of the Wilderness Act of 1964 by designating certain lands for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRINKLEY: H.R. 9592. A bill to provide for computation of disability retirement pay for members of the uniformed services; to the Committee on Armed Services.

H.R. 9593. A bill to amend title 10 of the United States Code in order to permit the partial attachment of retired or retainer pay to satisfy judicially decreed family support contributions; to the Committee on Armed Services.

H.R. 9594. A bill to provide for the equalization of the retired pay of members of the uniformed services of equal grade and years of service; to the Committee on Armed Services.

H.R. 9595. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. BROOMFIELD: H.R. 9596. A bill to authorize the release of 1,553,500 pounds of cadmium from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.



H.R. 9597. A bill to insure the separation of Federal powers by amending the National Labor Relations Act transferring jurisdiction over unfair labor practice and representation cases to the U.S. Labor Court, and for other purposes; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia:

H.R. 9598. A bill to reorganize the governmental structure of the District of Columbia by its separation into two entities, the city of Washington, Federal District, and the District of Columbia; to provide a charter for local government in the new District of Columbia subject to acceptance by a majority of registered qualified electors in the District of Columbia; to delegate certain legislative powers to the local government; to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia; and for other purposes; to the Committee on the District of Columbia.

By Mr. BURKE of Florida:

H.R. 9599. A bill to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. COLLINS of Texas:

H.R. 9600. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain safety standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DORN (for himself and Mr. KEMP):

H.R. 9601. A bill to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DORN (for himself, Mr. ZABLOCKI, Mr. DENT, Mr. GAYDOS, Mr. CLAY, Mr. WHALEN, Mr. MEEDS, and Mr. KEMP):

H.R. 9602. A bill to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DUNCAN:

H.R. 9603. A bill to amend title 38 of the United States Code so as to make presumptions relating to certain diseases applicable to veterans who served during the period between the end of World War II and the beginning of the Korean conflict; to the Committee on Veterans' Affairs.

By Mr. DUNCAN (for himself, Mr. CLARK, Mr. SAYLOR, and Mr. SHUSTER):

H.R. 9604. A bill to amend the Internal Revenue Code to encourage development of processes to convert coal to low pollutant synthetic fuels; to the Committee on Ways and Means.

H.R. 9605. A bill to amend the Internal Revenue Code to encourage an increase in production of coal; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 9606. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. FROELICH:

H.R. 9607. A bill to provide for payments in lieu of real property taxes, with respect to certain real property owned by the Federal Government; to the Committee on Interior and Insular Affairs.

By Mr. GONZALEZ:

H.R. 9608. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of inter-

state commerce for such purpose; to the Committee on the Judiciary.

By Mr. GUDE (for himself, Ms. ABZUG, Ms. Boggs, Ms. Chisholm, Ms. GRASSO, Ms. GREEN of Oregon, Ms. GRIFFITHS, Ms. HECKLER of Massachusetts, Ms. MINK, and Ms. SULLIVAN):

H.R. 9609. A bill to provide for the establishment of the Clara Barton House National Historic Site in the State of Maryland, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARSHA:

H.R. 9610. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. HENDERSON (for himself, Mr. ANDREWS of North Carolina, Mr. FOUNTAIN, Mr. JONES of North Carolina, Mr. PEYER, Mr. ROSE, and Mr. TAYLOR of North Carolina):

H.R. 9611. A bill to change the name of the New Hope dam and lake, N.C., to the B. Everett Jordan dam and lake; to the Committee on Public Works.

By Mr. HOSMER:

H.R. 9612. A bill to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. LUJAN:

H.R. 9613. A bill to encourage States to establish motor vehicle disposal programs and to provide for federally guaranteed loans and tax incentives for the acquisition of automobile scrap-processing equipment; to the Committee on Ways and Means.

By Mr. McFALL:

H.R. 9614. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. MIZELL:

H.R. 9615. A bill relating to the income tax treatment of charitable contributions of inventory and certain other ordinary income property; to the Committee on Ways and Means.

H.R. 9616. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. NELSEN (for himself and Mr. FUQUA):

H.R. 9617. A bill to establish a uniform system of personnel administration for the Government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. OWENS (for himself, Mr. BREAUX, Mr. BRECKINRIDGE, Mr. DE LUGO, Mr. GUNTER, Ms. HOLTZMAN, Mr. MOAKLEY, Mr. STARK, Mr. STUBBS, Mr. THORNTON, Mr. WON PAT, Mr. YOUNG of Georgia, Mr. ALEXANDER, Mr. BINGHAM, Mr. CARNEY of Ohio, Mr. FRASER, Mr. GREEN of Pennsylvania, Mr. POBELL, Mr. REUSS, Mr. METCALFE, and Mr. WOLFF):

H.R. 9618. A bill to amend the Legislative Reorganization Act of 1970 to establish an Office of Congressional Ombudsman to investigate, at the request of Members of Congress, actions and operations of the various agencies of the U.S. Government; to the Committee on House Administration.

By Mr. PARRIS (for himself, Ms. ABZUG, Mr. ASHLEY, Mr. ASPIN, Mr. BADILLO, Mr. BAFALIS, Mr. BAKER, Mr. BIESTER, Mr. BINGHAM, Mr. BROWN of Ohio, Mr. BROYHILL of Virginia, Mr. BUCHANAN, Mr. BURGNER, Mr. DAN DANIEL, Mr. DOMINICK V. DANIELS, Mr. DAVIS of Georgia, Mr. EILBERG,

Mr. FAUNTROY, Mr. FISH, Mr. FREY, Mr. GOLDWATER, Mr. GUDE, Mr. HARRINGTON, Mr. HOGAN, and Mr. HOLT):

H.R. 9619. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. PARRIS (for himself, Mr. HINSHAW, Mr. JOHNSON of Colorado, Mr. KETCHUM, Mr. KUYKENALL, Mr. LOTT, Mr. MCKINNEY, Mr. MOLLOHAN, Mr. NELSEN, Mr. OBEY, Mr. O'BRIEN, Mr. PEPPER, Mr. POBELL, Mr. RAILSBACK, Mr. RIEGLE, Mr. RONCALLO of New York, Mr. SIKES, Mr. SNYDER, Mr. STARK, Mr. STUCKEY, Mr. VEYSEY, Mr. WHITEHURST, Mr. WIDNALL, Mr. WON PAT, and Mr. YATRON):

H.R. 9620. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. PARRIS (for himself, Mr. ZWACH, and Mr. HANLEY):

H.R. 9621. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN:

H.R. 9622. A bill to amend the Natural Gas Act to require that notices of an application for a certificate of convenience and necessity be published in the newspaper; to the Committee on Interstate and Foreign Commerce.

By Mr. POBELL:

H.R. 9623. A bill to provide that the United States shall be liable for treble damages in cases of erroneous entry to dwellings by its officers or employees for the purposes of searching for illicit drugs, and that any officer or employee who is responsible for such an entry shall be immediately discharged from his position as officer or employee; to the Committee on the Judiciary.

By Mr. RAILSBACK:

H.R. 9624. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for grants to interstate metropolitan organizations; to the Committee on the Judiciary.

By Mr. RHODES (for himself, Mr. CAMP, Mr. HANSEN of Idaho, Mr. MELCHER, Mr. STEIGER of Arizona, and Mr. CONLAN):

H.R. 9625. A bill defining and limiting the application of certain acts of Congress to Indians and Indian tribes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H.R. 9626. A bill to revise the authorized boundary of the Biscayne National Monument in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEED:

H.R. 9627. A bill to establish the Chickasaw National Recreation Area in the State of Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEELMAN (for himself, Mr. WYLLIE, and Mr. ALEXANDER):

H.R. 9628. A bill to provide that appointments to the Offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. TIERNAN:

H.R. 9629. A bill to authorize the disposal of approximately 258,700 short tons of copper from the national stockpile and the supplemental stockpile and limit exports of copper and copper scrap; to the Committee on Armed Services.

By Mr. WALDIE:

H.R. 9630. A bill to amend title 5, United States Code, to provide for the payment by the Government of all costs of the Federal employees basic group life and accidental health and dismemberment insurance program; to the Committee on Post Office and Civil Service.

By Mr. BOWEN (for himself, Mr. BREAUX, and Mr. WAGGONER):

H.R. 9631. A bill to amend Public Law 92-181 (85 Stat. 383) relating to credit eligibility for public utility cooperatives serving producers of food, fiber, and other agricultural products; to the Committee on Agriculture.

By Mr. DINGELL:

H.R. 9632. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on the Judiciary.

By Mr. DOWNING:

H.R. 9633. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FRASER (for himself, Mr. ADAMS, Mr. CONTE, Mr. BADILLO, Mr. BROWN of California, Mr. CONYERS, Mr. CORMAN, Mr. DELLUMS, Mr. EDWARDS of California, Mr. GUDE, Mr. HARRINGTON, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. KASTENMEIER, Mrs. MINK, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOSS, Mr. PODELL, Mr. ROSENTHAL, and Mr. SEIBERLING):

H.R. 9634. A bill to amend the Interstate Commerce Act to provide that no pipeline company engaged in the transportation of oil may transport oil through its pipelines if that company has an interest in such oil; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRIFFITHS (for herself, Mr. CORMAN, and Mr. BARRETT):

H.R. 9635. A bill to create a national system of health security; to the Committee on Ways and Means.

By Miss JORDAN:

H.R. 9636. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MARTIN of North Carolina:

H.R. 9637. A bill to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MOLLOHAN:

H.R. 9638. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 9639. A bill to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. BEARD, Mr. CARTER, Mrs. CHISHOLM, Mr. COHEN, Mr. DIGGS, Mr. DINGELL, Mr. GETTYS, Mr. KYROS, Mr. KUYKENDALL, Mr. LANDRUM, Mr. LONG of Louisiana, Mr. MATSUNAGA, Mr. MITCHELL of Maryland, Mr. OWENS, Mr. QUIE, Mr. RIEGLE, Mr. ROSENTHAL, Mr. SEBELIUS, Mr. SISK, Mr. STUBBLEFIELD, Mr. TAYLOR of North Carolina, Mr. THONE, Mr. WIDNALL, and Mr. CHARLES H. WILSON of California):

H.R. 9640. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. RANGEL:

H.R. 9641. A bill to add a new title XX to the Social Security Act to provide for a minimum annual income of \$3,850 in the case of single individuals and \$5,200 in the case of married couples; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Ms. ABZUG, Mrs. BURKE of California, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. DIGGS, Mr. DRINAN, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. LEGGETT, Mr. MOAKLEY, Mrs. MINK, Mr. MITCHELL of Maryland, Mr. PEPPER, Mr. PODELL, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STARK, Mr. STOKES, Mr. WALDIE, and Mr. CHARLES H. WILSON of California):

H.R. 9642. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

By Mrs. SCHROEDER (for herself, Mr. BRASCO, Mr. CARNEY of Ohio, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. CORMAN, Mr. CRONIN, Mr. HOWARD, Ms. JORDAN, Mr. KOCH, Mr. NIX, Mr. PRICE of Illinois, Mr. REES, Mr. RIEGLE, Mr. SARBANES, Mr. STUDDS, and Mr. TIERNAN):

H.R. 9643. A bill to provide for the establishment within the Department of Health, Education, and Welfare of a National Center on Child Development and Abuse Prevention, to provide financial assistance for a demonstration program, and for other purposes; to the Committee on Education and Labor.

By Mr. STAGGERS:

H.R. 9644. A bill to amend the Communications Act of 1934 with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELE (for himself, Mr. HASTINGS, and Mr. HUDNUT):

H.R. 9645. A bill to authorize the disposal of approximately 258,700 short tons of copper from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. STOKES:

H.R. 9646. A bill to require that discharge certificates issued to members of the Armed Forces not indicate the condition or reasons for discharge, to limit the separation of enlisted members under conditions other than honorable, and to improve the procedures for the review of discharges and dismissals; to the Committee on Armed Services.

By Mr. YOUNG of Illinois:

H.R. 9647. A bill to provide double credit for retirement purposes, and certain pay and allowances, to members of the Armed Forces who were in a missing status for any period during the Vietnam conflict, and to provide such members certain additional medical benefits; to the Committee on Armed Services.

By Mr. STOKES:

H.R. 9648. A bill to provide double credit for retirement purposes, and certain pay and allowances, to Federal employees who are in missing status for any period of time during the Vietnam conflict; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Illinois:

H.R. 9649. A bill to provide double credit for retirement purposes, and certain pay and allowances, to Federal employees who are in missing status for any period of time during the Vietnam conflict; to the Committee on Post Office and Civil Service.

By Mr. STOKES:

H.R. 9650. A bill to provide double credit for retirement purposes, and certain pay and allowances, to Federal employees who are in missing status for any period of time during the Vietnam conflict; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Illinois:

H.R. 9651. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. YOUNG of Illinois:

H.R. 9652. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

it clear that local governments may use amounts freed by revenue sharing for real property tax reduction; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 9651. A bill to establish a system to ration refined petroleum products, natural gas, and natural gas liquids among civilian users in order to provide sufficient fuel for essential agricultural operations, and public health, safety, and essential public services in areas of shortage; to the Committee on Banking and Currency.

By Mr. PRICE of Texas:

H.R. 9652. A bill to amend section 70f of the Bankruptcy Act to provide that all sales of a bankrupt's property made by auction shall be made by an auctioneer selected through competitive bidding; to the Committee on the Judiciary.

H.R. 9653. A bill to amend the Internal Revenue Code of 1954 to extend certain transitional rules for allowing a charitable contribution deduction for purposes of the estate tax in the case of certain charitable remainder trusts; to the Committee on Ways and Means.

By Mr. DU PONT (for himself, Mr. CLEVELAND, Mr. COUGHLIN, Mr. FISH, and Mr. CHARLES H. WILSON of California):

H.J. Res. 687. Joint resolution authorizing the President to proclaim January 17 of each year as "National Volunteer Firemen Day"; to the Committee on the Judiciary.

By Mr. FULTON:

H.J. Res. 688. Joint resolution authorizing the President to proclaim 1973-83 as "A Decade for Action to Combat Racism and Racial Discrimination"; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.J. Res. 689. Joint resolution to provide for extension of flexible authority relating to payment of interest on time and savings deposits; to the Committee on Banking and Currency.

By Mr. STOKES:

H. J. Res. 690. Joint resolution; a national education policy; to the Committee on Education and Labor.

By Mr. MARTIN of North Carolina:

H. Con. Res. 277. Resolution relative to the recommendations of the Federal Commission on Executive Legislative, and Judicial Salaries, expressing the sense of Congress in opposition to increases in the salaries of Members and in favor of limiting other salary increases to the rate of 5.5 percent per annum; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H. Res. 510. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRONIN:

H.R. 9654. A bill for the relief of Mr. Aldo Massara; to the Committee on the Judiciary.

By Mr. HEINZ:

H.R. 9655. A bill for the relief of Stanley Bialowas, Jr.; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 9656. A bill for the relief of Edmundo Alfredo Oreiro Espinueva; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, 256. The SPEAKER presented a petition of the city council, New York, N.Y., relative to social security benefits; to the Committee on Ways and Means.