James M. Sullivan, Jr., of New York, to be U.S. attorney for the northern district of New York for the term of 4 years.

Charles R. Wilcox, of Wyoming, to be U.S. marshal for the district of Wyoming for the term of 4 years.

Melpin A. Hove, of Iowa, to be U.S. marshal for the northern district of Iowa for the term of 4 years.

Isaac George Hylton, of Virginia, to be U.S. marshal for the eastern district of Virginia for the term of 4 years.

J. Pat Madrid, of Arizona, to be U.S. marshal for the district of Arizona for the term of 4 years.

William L. Martin, Jr,. of Georgia, to be U.S. Marshal for the middle district of Georgia for the term of 4 years.

Frank M. Dulan, of New York, to be U.S. marshal for the northern district of New York for the term of 4 years.

Floyd Eugene Carrier, of Oklahoma, to be U.S. marshal for the western district of Oklahoma for the term of 4 years.

Christian Hansen, Jr., of Vermont, to be U.S. marshal for the district of Vermont for the term of 4 years.

Harold S. Fountain, of Alabama, to be U.S. marshal for the southern district of Alabama for the term of 4 years.

Marvin G. Washington, of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years.

Robert G. Wagner, of Ohio, to be U.S. marshal for the northern district of Ohio for the term of 4 years.

Charles S. Guy, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania for the term of 4 years.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

John B. Rhinelander, of Virginia, to be General Counsel of the Department of Health, Education, and Welfare.

James B. Cardwell, of Maryland, to be Commissioner of Social Security of the Department of Health, Education, and Welfare.

DEPARTMENT OF THE TREASURY

Meade Whitaker, of Alabama, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service).

RENEGOTIATION BOARD

Goodwin Chase, of Washington, to be a member of the Renegotiation Board.

Norman B. Houston, of Virginia, to be a member of the Renegotiation Board.

OZARK REGIONAL COMMISSION

Bill H. Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Allen Sharp, of Indiana, to be a U.S. district judge for the northern district of Indiana.

HOUSE OF REPRESENTATIVES—*Thursday, October 4, 1973*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. O'NEILL).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOM,
U.S. HOUSE OF REPRESENTATIVES,
October 4, 1973.

I hereby designate the Honorable THOMAS P. O'NEILL, Jr. to act as Speaker pro tempore today.

CARL ALBERT,
Speaker of the House of Representatives.

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

Only fear the Lord and serve Him faithfully with all your heart, for consider what great things He has done for you.—I Samuel 12: 24.

Eternal God, who didst lead our fathers to bring forth on this land a new nation, conceived in faith, nourished by hope and dedicated to liberty: Give Thy grace to us their children that we may be mindful of our heritage and sure of Thee without whom no people can prosper, no nation can be secure.

Forgive us our sins, we pray Thee. We have erred and strayed from Thy ways, we have disobeyed Thy holy laws, we have sown the seeds of discord and dissension and are reaping the fruits of disorder and disaster. O God of our fathers, turn us to Thee in hearty repentance and with true humility. Pardon and deliver us from all our sins, confirm and strengthen us in all goodness and teach us to walk in Thy way doing justly, loving mercy, and living humbly with Thee.

In Thy holy name 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 had passed without amendment a bill and concurrent resolution of the House of the following titles:

H.R. 7976. An act to amend the act of August 31, 1965, commemorating certain historical events in the State of Kansas; and

H. Con. Res. 321. Concurrent resolution providing for adjournment of the House from Thursday, October 4, 1973, to Tuesday, October 9, 1973.

The message also announced that Senators Moss and COOK were appointed as additional conferees on S. 1983, providing for the conservation, protection, and propagation of endangered species.

The message also announced that the Vice President, pursuant to Public Law 84–689, appointed Mr. NUNN as a delegate, on the part of the Senate, to the North Atlantic Assembly to be held at Ankara, Turkey, October 21–27, 1973.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OCTOBER 3, 1973.

The Honorable the SPEAKER,
U.S. House of Representatives,

DEAR MR. SPEAKER: Pursuant to the permission granted today, the Clerk has received from the Secretary of the Senate the following message: That the Senate passed without amendment H.J. Res. 753.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the authority granted to the Speaker on Wednesday, October 3, 1973, the Speaker did on that day sign an enrolled joint resolution of the House as follows:

H.J. Res. 753. Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a privileged report.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. McFALL. 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. 498]

Alexander	Hanna	Railsback
Anderson, Ill.	Hansen, Wash.	Rangel
Armstrong	Harrington	Reid
Ashley	Harsha	Robison, N.Y.
Blatnik	Hébert	Rooney, N.Y.
Broyhill, Va.	Holifield	Rose
Buchanan	Johnson, Colo.	Rosenthal
Burke, Calif.	Jones, Ala.	Roybal
Butler	Kemp	Runnels
Chappell	Kluczynski	Ruth
Chisholm	Kuykendall	St Germain
Clark	Kyros	Sandman
Collins, Tex.	Landrum	Seiberling
Conyers	Leggett	Staggers
Davis, Ga.	Lent	Stark
Diggs	Maraziti	Steiger, Ariz.
Dingell	Metcalfe	Stokes
du Pont	Mills, Ark.	Taylor, N.C.
Eckhardt	Murphy, N.Y.	Teague, Tex.
Ford, William D.	Nelsen	Tiernan
	O'Hara	Veysey
Fulton	Owens	White
Gray	Patman	Wilson, Charles, Tex.
Gubser	Powell, Ohio	
Gude	Pritchard	

The SPEAKER pro tempore. On this rollcall 362 Members have recorded their presence by electronic device, a quorum.

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

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 542, WAR POWERS RESOLUTION OF 1973

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a conference report on House Joint Resolution 542 concerning the war powers of Congress and the President.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-547)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President, 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:

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "War Powers Resolution".

PURPOSE AND POLICY

SEC. 2. (a) It is the purpose of this joint resolution to fulfill the intent of the framers of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations.

(b) Under article I, section 8, of the Constitution, it is specifically provided that the Congress shall have the power to make all laws necessary and proper for carrying into execution, not only its own powers but also all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof.

(c) The constitutional powers of the President as Commander-in-Chief to introduce United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, are exercised only pursuant to (1) a declaration of war, (2) specific statutory authorization, or (3) a national emergency created by attack upon the United States, its territories or possessions, or its armed forces.

CONSULTATION

SEC. 3. The President in every possible instance shall consult with Congress before introducing United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and after every such introduction shall consult regularly with the Congress until United States Armed Forces are no longer engaged in hostilities or have been removed from such situations.

REPORTING

SEC. 4. (a) In the absence of a declaration of war, in any case in which United States Armed Forces are introduced—

(1) into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances;

(2) into the territory, airspace or waters of a foreign nation, while equipped for combat, except for deployments which relate solely to supply, replacement, repair, or training of such forces; or

(3) in numbers which substantially enlarge United States Armed Forces equipped for combat already located in a foreign nation;

the President shall submit within 48 hours to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report, in writing, setting forth—

(A) the circumstances necessitating the introduction of United States Armed Forces;

(B) the constitutional and legislative authority under which such introduction took place; and

(C) the estimated scope and duration of the hostilities or involvement.

(b) The President shall provide such other information as the Congress may request in the fulfillment of its constitutional responsibilities with respect to committing the Nation to war and to the use of United States Armed Forces abroad.

(c) Whenever United States Armed Forces are introduced into hostilities or into any situation described in subsection (a) of this section, the President shall, so long as such armed forces continue to be engaged in such hostilities or situation, report to the Congress periodically on the status of such hostilities or situation as well as on the scope and duration of such hostilities or situation, but in no event shall he report to the Congress less often than once every six months.

CONGRESSIONAL ACTION

SEC. 5. (a) Each report submitted pursuant to section 4(a)(1) shall be transmitted to the Speaker of the House of Representatives and to the President pro tempore of the Senate on the same calendar day. Each report so transmitted shall be referred to the Committee on Foreign Affairs of the House of Representatives and to the Committee on Foreign Relations of the Senate for appropriate action. If, when the report is transmitted, the Congress has adjourned sine die or has adjourned for any period in excess of three calendar days, the Speaker of the House of Representatives and the President pro tempore of the Senate, if they deem it advisable (or if petitioned by at least 30 percent of the membership or their respective Houses) shall jointly request the President to convene Congress in order that it may consider the report and take appropriate action pursuant to this section.

(b) Within sixty calendar days after a report is submitted or is required to be submitted pursuant to section 4(a)(1), whichever is earlier, the President shall terminate any use of United States Armed Forces with respect to which such report was submitted (or required to be submitted), unless the Congress (1) has declared war or has enacted a specific authorization for such use of United States Armed Forces, (2) has extended by law such sixty-day period, or (3) is physically unable to meet as a result of an armed attack upon the United States. Such sixty-day period shall be extended for not more than an additional thirty days if the President determines and certifies to the Congress in writing that unavoidable military necessity respecting the safety of United States Armed Forces requires the continued use of such armed forces in the course of bringing about a prompt removal of such forces.

(c) Notwithstanding subsection (b), at any time that United States Armed Forces are engaged in hostilties outside the territory of the United States, its possessions and territories without a declaration of war or specific statutory authorization, such forces shall be removed by the President if the Congress so directs by concurrent resolution.

CONGRESSIONAL PRIORITY PROCEDURES FOR JOINT RESOLUTION OR BILL

SEC. 6. (a) Any joint resolution or bill introduced pursuant to section 5(b) at least thirty calendar days before the expiration of the sixty-day period specified in such section shall be referred to the Committee on Foreign Affairs of the House of Representatives or the Committee on Foreign Relations of the Senate, as the case may be, and such committee shall report one such joint resolution or bill, together with its recommendations, not later than twenty-four calendar days before the expiration of the sixty-day period specified in such section, unless such House shall otherwise determine by the yeas and nays.

(b) Any joint resolution or bill so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents), and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

(c) Such a joint resolution or bill passed by one House shall be referred to the committee of the other House named in subsection (a) and shall be reported out not later than fourteen calendar days before the expiration of the sixty-day period specified in section 5(b). The joint resolution or bill so reported shall become the pending business of the House in question and shall be voted on within three calendar days after it has been reported, unless such House shall otherwise determine by yeas and nays.

(d) In the case of any disagreement between the two Houses of Congress with respect to a joint resolution or bill passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such resolution or bill not later than four calendar days before the expiration of the sixty-day period specified in section 5(b). In the event the conferees are unable to agree within 48 hours, they shall report back to their respective Houses in disagreement. Notwithstanding any rule in either House concerning the printing of conference reports in the record or concerning any delay in the consideration of such reports, such report shall be acted on by both Houses not later than the expiration of such sixty-day period.

CONGRESSIONAL PRIORITY PROCEDURES FOR CONCURRENT RESOLUTION

SEC. 7. (a) Any concurrent resolution introduced pursuant to section 5(c) shall be referred to the Committee on Foreign Affairs of the House of Representatives or the Committee on Foreign Relations of the Senate, as the case may be, and one such concurrent resolution shall be reported out by such committee together with its recommendations within fifteen calendar days, unless such House shall otherwise determine by the yeas and nays.

(b) Any concurrent resolution so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents) and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

(c) Such a concurrent resolution passed by one House shall be referred to the committee of the other House named in subsection (a) and shall be reported out by such committee together with its recommendations within fifteen calendar days and shall thereupon become the pending business of such House and shall be voted upon within three calendar days, unless such House shall otherwise determine by yeas and nays.

(d) In the case of any disagreement between the two Houses of Congress with re-

spect to a concurrent resolution passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such concurrent resolution within six calendar days after the legislation is referred to the committee of conference. Notwithstanding any rule in either House concerning the printing of conference reports in the Record or concerning any delay in the consideration of such reports, such report shall be acted on by both Houses not later than six calendar days after the conference report is filed. In the event the conferees are unable to agree within 48 hours, they shall report back to their respective Houses in disagreement.

INTERPRETATION OF JOINT RESOLUTION

SEC. 8. (a) Authority to introduce United States Armed Forces into hostilities or into situations wherein involvement in hostilities is clearly indicated by the circumstances shall not be inferred—

(1) from any provision of law (whether or not in effect before the date of the enactment of this joint resolution), including any provision contained in any appropriation Act, unless such provision specifically authorizes the introduction of United States Armed Forces into hostilities or into such situations and states that it is intended to constitute specific statutory authorization within the meaning of this joint resolution; or

(2) from any treaty heretofore or hereafter ratified unless such treaty is implemented by legislation specifically authorizing the introduction of United States Armed Forces into hostilities or into such situations and stating that it is intended to constitute specific statutory authorization within the meaning of this joint resolution.

(b) Nothing in this joint resolution shall be construed to require any further specific statutory authorization to permit members of United States Armed Forces to participate jointly with members of the armed forces of one or more foreign countries in the headquarters operations of high-level military commands which were established prior to the date of enactment of this joint resolution and pursuant to the United Nations Charter or any treaty ratified by the United States prior to such date.

(c) For purposes of this joint resolution, the term "introduction of United States Armed Forces" includes the assignment of members of such armed forces to command, coordinate, participate in the movement of, or accompany the regular or irregular military forces of any foreign country or government when such military forces are engaged, or there exists an imminent threat that such forces will become engaged, in hostilities.

(d) Nothing in this joint resolution—

(1) is intended to alter the constitutional authority of the Congress or of the President, or the provisions of existing treaties; or

(2) shall be construed as granting any authority to the President with respect to the introduction of United States Armed Forces into hostilities or into situations wherein involvement in hostilities is clearly indicated by the circumstances which authority he would not have had in the absence of this joint resolution.

SEPARABILITY CLAUSE

SEC. 9. If any provision of this joint resolution or the application thereof to any person or circumstance is held invalid, the remainder of the joint resolution and the application of such provision to any other person or circumstance shall not be affected thereby.

EFFECTIVE DATE

SEC. 10. This joint resolution shall take effect on the date of its enactment.

And the Senate agree to the same.

CLEMENT J. ZABLOCKI,
THOMAS E. MORGAN,
WAYNE L. HAYS,
DONALD FRASER,
DANTE B. FASCELL,
PAUL FINDLEY,
WM. BROOMFIELD,
Managers on the Part of the House.

J. W. FULBRIGHT,
MIKE MANSFIELD,
STUART SYMINGTON,
EDMUND S. MUSKIE,
G. AIKEN,
CLIFFORD P. CASE,
J. K. JAVITS,
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 joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President, 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 Senate amendment to the joint resolution struck out all after the resolving clause and inserted a new text. Under the conference agreement the House recedes with an amendment which substitutes a new text explained below except for clerical corrections, incidental changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

Section 1 of the Senate amendment substituted "War Powers Act" as a short title in lieu of the short title "War Powers Resolution of 1973" in the House joint resolution. Section 1 of the conference substitute provides a short title of "War Powers Resolution".

PURPOSE AND POLICY

The Senate amendment contained a section entitled "Purpose and Policy" (section 2) and a section entitled "Emergency Use of the Armed Forces" (section 3) which defined the emergency powers of the President to introduce United States Armed Forces into hostilities or situations of imminent hostilities.

The House joint resolution did not contain similar provisions.

The conference report contains a section entitled "Purpose and Policy". The new section states that:

(a) the purpose of the joint resolution is to fulfill the intent of the framers of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations;

(b) Article I, section 8 of the Constitution provides the basis for congressional action in this area; and

(c) the constitutional powers of the President as Commander-in-Chief to introduce United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, are exercised only pursuant to (1) a declaration of war, (2) specific statutory authorization, or (3) a national emergency created by attack upon the United States, its territories or possessions, or its armed forces.

Section 2(c) is a statement of the authority of the Commander-in-Chief respecting the introduction of United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances. Subsequent sections of the joint resolution are not dependent upon the language of this subsection, as was the case with a similar provision of the Senate bill (section 3).

CONSULTATION

The House joint resolution provided for presidential consultation with the leadership and appropriate committees of Congress before and after the President introduces United States Armed Forces into hostilities or situations of imminent hostilities. The conferees modified the House provision, to provide for consultation with the Congress. Section 3 of the conference report is not a limitation upon or substitute for other provisions contained in the report. It is intended that consultation take place during hostilities even when advance consultation is not possible.

REPORTING

Section 4 of the conference report concerns reporting both the House joint resolution and the Senate amendment contained similar reporting provisions requiring the President to report to the Congress on specified actions. In the case of the House joint resolution, the reporting provisions triggered the subsequent congressional action provisions. In the Senate version, congressional action provisions were not triggered by the reporting provision, but were otherwise brought into play. Section 4 of the conference report draws on both the Senate and House versions. It requires that the President provide such other information as the Congress may request following his initial report on the introduction of United States Armed Forces, and further requires supplementary reports at least every six months so long as those forces are engaged. The initial presidential report is required to be submitted within 48 hours. The objective is to ensure that the Congress by right and as a matter of law will be provided with all the information it requires to carry out its constitutional responsibilities with respect to committing the Nation to war and to the use of United States Armed Forces abroad.

CONGRESSIONAL ACTION

Both the House joint resolution and the Senate amendment provided for termination within a specified time of presidential use of United States Armed Forces without a declaration of war or specific prior statutory authorization. The termination period in the House joint resolution was 120 days; in the Senate amendment, 30 days.

The conferees agreed on a 60 day period following the forty-eight hour period in which the President is required to report under section 4. The 60-day period can be extended for up to 30 additional days if the President determines and certifies in writing to the Congress that unavoidable military necessity respecting the safety of the troops requires their continued use in bringing about a prompt disengagement from hostilities.

In section 5(a) the conferees accepted the provisions of the House joint resolution relating to the transmittal of the presidential report to Congress, with amendments which (1) provide for the possibility of reconvening of Congress in case of adjournment in order to consider such report, and (2) provide that 30 percent of the membership of the respective Houses may petition for such reconvening.

The House joint resolution provided that use of United States Armed Forces by the President without a declaration of war or specific statutory authorization could be terminated by Congress through the use of a concurrent resolution. The Senate amendment provided for such termination by a bill or joint resolution. The conference report contains the concurrent resolution provision.

The House joint resolution provided for termination of certain peacetime deployments of United States Armed Forces through the elapsing of a time period in which Congress failed to approve such deployments. The Senate amendment did not include such deployments in its congressional action pro-

visions. The conference report requires presidential reporting on such deployments but section 5(b) does not require their termination.

CONGRESSIONAL PRIORITY PROCEDURES

Both the House joint resolution and the Senate amendment contained congressional priority procedures. They differed primarily in that the House language specifically stipulated resort to a procedure of committee consideration while in the Senate version any pertinent bill or joint resolution was to be considered as reported directly to the floor of the House in question unless otherwise decided by the yeas and nays. The language agreed to by the conference in sections 6 and 7 corresponds to the House version including separately stipulated priority procedures for consideration of concurrent resolutions requiring removal of forces. The following changes, however, were made:

(1) language was added at the end of sections 6(a) and 7(a) allowing each House to change the procedures by the yeas and nays;

(2) the various time frames in section 6 for full cycle consideration of a joint resolution or bill were shortened to conform to the change in section 5(b) from 120 days to 60 days;

(3) following the reporting of a joint resolution or bill or concurrent resolution by the appropriate committee it was stipulated that the time for debate in the Senate shall be equally divided between the proponents and the opponents; and

(4) section 6(d) and section 7(d) provide for expedited conference committee procedures in the consideration of pertinent legislation passed by both houses.

TERMINATION OF CONGRESS

Section 7 of the House joint resolution provided a mechanism to insure that the time period provided for under section 4 of the joint resolution would not expire while Congress was in adjournment. The Senate amendment had no similar provision. The conference report does not contain the House provision on the grounds that the language of section 5 of the conference report had obviated the need of this section.

INTERPRETATION OF JOINT RESOLUTION

The Senate amendment contained definitions of certain terms. The House joint resolution, while incorporating some broad interpretations of the meaning of the joint resolution, did not contain such definitive language. The conferees agreed to combine both definitions and interpretations in a single section 8 with changes including:

(1) adoption of modified Senate language defining specific statutory authorization, and defining the phrase "introduction of United States Armed Forces" as used in the joint resolution;

(2) elimination of House language concerning the constitutional process requirement contained in mutual security treaties; and

(3) addition of Senate language which makes clear that the resolution does not prevent members of the United States Armed Forces from participating in certain joint military exercises with allied or friendly organizations or countries. The "high-level military commands" referred to in this section are understood to be those of NATO, the North American Air Defense command (NORAD) and the United Nations command in Korea (UNC).

SEPARABILITY CLAUSE

The Senate amendment contained a separability clause stipulating that, if any of its provisions or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to any other person or circumstance would not be affected. The House version did not contain a corresponding provision. The conferees accepted the language of the Senate amendment, with certain technical modifications.

EFFECTIVE DATE

Both the House joint resolution and the Senate amendment contained language providing that the legislation would take effect on the date of its enactment. This provision was not in disagreement.

CLEMENT J. ZABLOCKI,
THOMAS E. MORGAN,
WAYNE L. HAYS,
DONALD FRASER,
DANTE B. FASCELL,
PAUL FINDLEY,
WM. BROOMFIELD,
Managers on the Part of the House.

J. W. FULBRIGHT,
MIKE MANSFIELD,
STUART SYMINGTON,
EDMUND S. MUSKIE,
G. AIKEN,
CLIFFORD P. CASE,
J. K. JAVITS,
Managers on the Part of the Senate.

STATEMENT BY THE HON. CLEMENT J. ZABLOCKI ON THE WAR POWERS ACT OF 1973

Mr. ZABLOCKI. Mr. Speaker, today's action by the House and Senate conferees clears the way for final passage by Congress of the landmark war powers bill.

The purpose of this bill, which I introduced last May, is to restore the balance between the President and the Congress in war-making authority by limiting the power of the President to send American Armed Forces to combat in foreign lands without congressional approval. It would restore the rightful role of Congress under the Constitution.

History has demonstrated the need for this legislation. The Constitution specifically gives Congress the power to declare war.

In recent years Presidents have repeatedly assumed this authority by committing large American Forces to hostilities abroad without proper authorization from Congress.

Under this measure, the President must consult with Congress whenever possible before committing U.S. Forces to hostilities overseas. Should he introduce combat forces to hostilities abroad he must promptly report to Congress his reasons for assuming this authority.

If Congress does not give its approval within 60 days, the President must withdraw the forces. Congress can decree an earlier approval or withdrawal by passing a concurrent resolution.

It was reported that President Nixon intends to veto this legislation. I urge him in the spirit of his recent state of the Union message calling for "national leadership that recognizes that we must maintain in this country a balance of power between the legislative and the judicial and the executive branches of Government" to sign this Compromise War Powers Resolution.

The resolution so carefully and ably formulated by the conferees climaxes 3 years of effort in both Houses of Congress.

As chairman of the National Security Policy Subcommittee of the House Foreign Affairs Committee which worked on the House legislation, I wish to thank Chairman MORGAN, my colleagues, and numerous able witnesses for their help.

My appreciation goes likewise to the Senators who made this conference bill possible.

CLOSING OF THE SCHOENAU PROCESSING CENTER

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

Mr. FISH. Mr. Speaker, I was most distressed to learn that despite increasing international pressure, the Austrian Government has refused to reverse its decision to close the Schoenau processing center. President Nixon has urged Chancellor Kreisky to reconsider his decision "on humanitarian grounds and on geopolitical grounds of the highest order," but the Austrian Government is standing firm on its decision which amounts to yielding to terrorist demands.

I believe that the United States should redouble its efforts to persuade the Austrian Government to rescind the order closing Schoenau. The center has played a vital role in the processing and orientation of thousands of Jews who have chosen to emigrate from the Soviet Union to seek a life free from religious oppression in the State of Israel. The closing of the center is regarded by many Arab groups as a victory for terrorism and will only serve to encourage other acts of violence. If one set of demands is acceded to, other terrorist activities leading to yet further demands will surely follow.

Therefore, I am introducing a sense-of-the-Congress resolution today which would request the President, through formal and informal contacts with foreign officials, to call upon the Austrian Government to allow the processing center at Schoenau to continue to operate. In addition, it would urge all governments to take whatever actions are necesary to permit and facilitate the travel of refugees.

I will be sending out a "Dear Colleague" letter urging my colleagues in the House to join with me in this resolution expressing our belief in the need for further affirmative action by the United States. I feel that my resolution would serve as an appropriate vehicle for an expression of congressional concern in this matter.

EMPLOYMENT OFFERED TO MR. SEGRETTI

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

Mr. HAYS. Mr. Speaker, I had the occasion yesterday to see part of the testimony of Mr. Donald Segretti before the Senate committee on television.

I suggest, since he is unemployed at the moment, that he would be an ideal employee for Mr. John Gardner of Common Cause.

CONFERENCE REPORT ON S. 1317, U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION ACT OF 1973

Mr. HAYS. Mr. Speaker, I call up the conference report on the bill (S. 1317) to

authorize appropriations for the U.S. Information Agency and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of October 1, 1973.)

Mr. HAYS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, it will not take much time to explain the agreement reached in conference with the other body on S. 1317, the U.S. Information Agency Appropriations Authorization Act of 1973.

There were only five items in disagreement. The principal money difference involved the salaries and expenses provision. The House had voted an authorization of $203,279,000 for this provision; the Senate had voted $188,124,500—a difference of $15,154,500. The conferees agreed upon a figure of $196,000,000—a reduction by the House of $7,279,000 and an increase by the Senate of $7,875,500.

The House amendment carried a sum of $5,125,000 for special international exhibits compared with $4,125,000 in the Senate bill. In the interval between the Senate and the House action on this item, the President and General Secretary Brezhnev had agreed on another exhibit by the United States in the Soviet Union and the administration requested an additional $1 million for this purpose. The House version therefore included it. The Senate conferees accepted the House position.

The administration had requested an open-ended authorization of appropriations to cover salary and other employee benefits and devaluation costs. The Senate accepted this. The House amendment, however, included specific amounts for these two items—$7,200,000 for salary and employee benefits and $7,450,000 for devaluation costs. The Senate accepted the House position.

The House amendment contained a section that authorized USIA to sell to Little League Baseball, Inc., copies of a film "Summer Fever" dealing with Little League Baseball in the United States. This nonprofit corporation can show that film, but no charge may be made for viewing, nor can it be shown in connection with any fund-raising activities of the federally chartered corporation. I should note that this provision is necessary since USIA products cannot be disseminated in the United States without congressional approval. The conferees want to make clear that it is not their intention to give congressional approval to any and all requests that may result from this exception.

The House amendment also included a section dealing with access to information in the custody of USIA by the Committee on Foreign Affairs and by the Committee on Foreign Relations. Such requests will be in writing over the signature of the chairman of either committee acting on a majority vote of either committee. If such information is not forthcoming within 35 days the Agency will be unable to obligate any funds available to it.

The language is a modification of that which appeared originally in the State Department authorization bill and which was applicable to the principal foreign affairs agencies. As a result of that provision being ruled as nongermane because it went beyond the scope of the State Department authorization, the House language limited it to USIA whose funds are authorized in this measure.

Members will recall that this amendment was debated when the House had before it the USIA authorization bill, and it was retained by a recorded vote of 240 to 178. In conference the Senate accepted this language.

Mr. Speaker, I believe the House conferees have done well on this bill and I urge its passage.

Mr. MAILLIARD. Mr. Speaker, I did not sign the conference report. This does not mean I am opposed to the U.S. Information Agency. On the contrary, I believe USIA is doing a good job and should be adequately funded.

I did not sign the report solely because of my objection to section 4—concerning access to information. It is so sweeping that it could interfere with USIA's ability to continue the good job it has been doing. If section 4 were more limited, perhaps to certain specific types of information, I could accept it. But as now written, the section is simply too sweeping. It would require the cutting off of funds for the operation of USIA if after 35 days any information relating to the Agency, excepting only communications directly to and from the President, were not provided in response to a request by the House Committee on Foreign Affairs or the Senate Committee on Foreign Relations.

In the debate over whether to add this language to the USIA authorization bill, I said if we were foolish enough to adopt this amendment which the Senate invented, when we went to conference the Senate conferees would simply recede and concur before we could discuss how to improve the language. That is exactly what happened.

While USIA here in Washington is considered a separate Agency, overseas each USIS post is very much a part of the Embassy team and the Public Affairs Officer reports to the Ambassador. Confidentiality is essential to much of what USIS does overseas. In my opinion this amendment would make it more difficult for the Agency to carry out its mission.

Mr. HAYS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONFERENCE REPORT ON S. 1141, NEW COINAGE DESIGN AND DATE EMBLEMATIC OF THE BICENTENNIAL OF THE AMERICAN REVOLUTION.

Mrs. SULLIVAN. Mr. Speaker, I call up the conference report on the Senate bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 24, 1973.)

Mrs. SULLIVAN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 1141 to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special silver coins commemorating the Bicentennial of the American Revolution, and for other purposes.

Most of the provisions of S. 1141 as agreed to in conference were contained in both the House and Senate versions of the legislation and therefore were not charged in conference. These provisions briefly are as follows:

First. All dollar, half-dollar, and quarter-dollar coins minted for issuance between July 4, 1975, and January 1, 1977, will bear the date "1776–1976" and, on their reverse sides, designs emblematic of the Bicentennial of the American Revolution. These will be the standard circulating coins, made of cupronickel composition. The Secretary of the Treasury will have authority to continue the minting of these cupro-nickel commemorative Bicentennial coins indefinitely beyond the 18-month period specified, but those minted for issuance on and after January 1, 1977, will bear

the actual year of coinage as well as a date emblematic of the Bicentennial.

Second. In order to provide sufficient manufacturing and storage facilities to assure an adequate supply of the new coins for commercial purposes as well as for Bicentennial souvenirs, the Bureau of the Mint will be permitted, on a temporary basis, to produce and store coins and medals at any of its non-coining facilities, such as the U.S. Bullion Depository at West Point, N.Y.

The conferees were required to deal with several other issues which were contained in the Senate version of the legislation but which were not in the House version. Among these were provisions relating to private ownership of gold and private transactions in gold, the mandatory minting of a special gold coin for the Bicentennial, and the mandatory production of at least 60 million Bicentennial coins to be made of 40-percent silver to be made for issuance between July 4, 1975, and January 1, 1977. Also contained in the Senate bill was a provision permitting the Bureau of the Mint to sell numismatic items with the receipts to be reimbursed to its appropriation to cover the costs of production.

COMPROMISES REACHED IN CONFERENCE

Because the issue of private ownership of gold and private transactions in gold had been disposed of in the conference report on the par value modification bill agreed to in the House on September 6 and in the Senate on September 7, and approved on September 21 as Public Law 93–110, the conferees on S. 1141 agreed that the issue was moot as far as S. 1141 was concerned, and the Senate receded.

The Senator also receded on the provisions of the Senate bill calling for the mandatory issuance of up to 60 million gold coins commemorating the Bicentennial. The House in turn receded and accepted the Senate provision permitting the Bureau of the Mint to produce and sell numismatic items and to reimburse its appropriation for the costs involved.

That left, as the major element in disagreement, the Senate provision calling for the mandatory issuance of at least 60 million silver Bicentennial coins. There was no provision on silver coinage in the House bill.

The conference agreement resulted from compromises on both sides. Under this agreement, the Secretary of the Treasury will be required to produce 45 million Bicentennial coins of 40 percent silver composition by July 4, 1975, and to offer them for sale directly to the public as proof of uncirculated coins at such prices as he shall determine. The legislation also authorizes the production of up to 15 million additional silver Bicentennial coins, if necessary to meet public demand. The Secretary is authorized to limit by regulation the number of silver-clad coins which may be purchased by any one person. Net receipts from the sale of the silver coins are to be covered into the Treasury as miscellaneous receipts.

The silver necessary for the production of silver Bicentennial coins is to be taken from supplies of silver held by the Treasury for the production of up to 150 million proof and uncirculated Eisenhower silver dollars authorized by title II of the Bank Holding Company Act Amendment of 1970, and the Bicentennial silver coins are to be counted against the 150 million silver coin limitation of the 1970 Act.

The conference report should be agreed to, Mr. Speaker, so that the Director of the Mint, the Honorable Mary Brooks, can begin immediately to organize a nationwide competition which is to be conducted under the supervision of the National Sculpture Society for designs for the new coins, and also to undertake the heavy responsibilities of having these coins produced in sufficient quantities by July 4, 1975.

Mr. GROSS. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Were these provisions for minting gold and silver coins in the House bill?

Mrs. SULLIVAN. They were not in the House bill but they were in the Senate bill.

Mr. GROSS. I thought that we would fittingly celebrate our 200th anniversary with the same scrap metal coins that we have been using and probably will continue to use. So in the conference it was agreed to mint millions of coins with 40 percent silver. What would be the gold content of those which are minted with reference to gold?

Mrs. SULLIVAN. There is no mandatory provision for gold coins. We discussed the idea of permitting a gold coin if the Secretary of the Treasury finds it practical to mint a Bicentennial gold coin.

Mr. GROSS. This is unbelievable. We have been told by certain members of the bureaucracy that gold is an anachronistic anachronism and a throwback to the feudal ages. It is impossible for me to conceive that this bill today would permit gold coins to be minted on this occasion.

Mrs. SULLIVAN. I think the gentleman would find that gold coins could not be and would not be minted. It would end up as a very, very small coin that really did not have enough significance, to be sold for at least $35 or more in view of the price of gold today.

Mr. GROSS. The fact that coins are to be minted with 40 percent silver is the suggestion of the other body and at the insistence of the other body?

Mrs. SULLIVAN. That is correct.

Mr. GROSS. And that there be permissive restrictions lifted permitting gold coins to be produced, whatever the quantity and whatever the denomination, I do not know, but this also is at the insistence of the other body. Is that correct?

Mr. WYLIE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I think there is some misunderstanding about whether this bill authorizes the minting of gold coins. The minting of gold coins is not authorized by this bill. It would authorize the minting of proof sets of silver alloy and then the bill provides: "in such quantities of such other metals as he determines appropriate." That language refers to use of the baser metals, the so-called cupro-nickel metals. We removed the provision which was in the Senate bill with reference to gold coins. So there is no authorization in the conference report that would permit any gold coins to be minted.

Mrs. SULLIVAN. If the gentleman will allow me, what we have agreed to is the mandatory minting of 45 million silver coins by July 4, 1975.

There was a discussion about giving the Secretary of the Treasury the permission, if it was feasible, to mint some gold coins.

Mr. WYLIE. That is my understanding. Let us put it this way. I would not necessarily say the gentlewoman is wrong. There was only one section in disagreement as far as I can remember in the House version and that had to do with the minting of silver-clad Bicentennial coins. We amended and accepted the Senate version on that. But there was one other section which was in disagreement between the House and the Senate, and the Senate receded to the House with reference to the minting of gold coins.

The gold coin provision, in other words, was knocked out entirely. In the bill it says:

> Notwithstanding any other provision of law with respect to the design of coins, the Secretary shall mint prior to July 4, 1975, for issuance on and after such date, 45 million silver-clad alloy coins authorized under Section 101(a).

On further, it says, such other coins as he may determine, "Containing such quantities of such other metal as he determines appropriate."

My understanding was, that referred to the coins we now have in circulation and refers to the making of these coins out of the baser metals, to wit, copper and nickel, so I would say there is no authorization of any gold coin in this bill.

Mrs. SULLIVAN. The gentleman is correct. There will be uncirculated or proof silver coins to the amount of 45 million that must be produced by July 4, 1975, for sale to the public. These are not for general circulation; they would sell at premium prices because they will be 40 percent silver.

Mr. GROSS. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Iowa.

Mr. GROSS. By uncirculated, does that mean they could not be used as common currency?

Mrs. SULLIVAN. They would be sold as proof sets, or sets of uncirculated coins. My understanding is that these coins will be sold to collectors in sets of three, consisting of a dollar, half dollar, and quarter.

Mr. GROSS. But they could not be used in everyday use?

Mrs. SULLIVAN. It would be very foolish to use them at their face value because they would contain silver and be issued as uncirculated coins at a premium price, so if anyone used them at face value he would be losing money.

Mr. WYLIE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, of course that is absolutely correct. It would be

kind of foolish to circulate a proof silver dollar for only a dollar when one has to pay $10 for a proof set; or use an uncirculated silver dollar in commerce when it costs $3. A person could break up the proof set if he wanted to and spend it as a dollar. But, he would be very foolish.

Mr. GROSS. Well, with the scrap metal coins we have now, they will get a person just as far, will they not?

Mrs. SULLIVAN. In the marketplace, but not in the coin hobby. This is the argument we had in the conference with the Senate, because we wanted to give the Treasury permission to mint as many as they felt they could sell of these uncirculated silver coins, rather than require the issuance of a set number such as 60 million. We had to recede, so we agreed to require 45 million to be made, with permission granted to mint the other 15 million only if necessary to meet orders from the public. I develop that further in my remarks.

In case of any misunderstanding about gold coins, section 3 of the Senate bill directed the Secretary of the Treasury to coin and issue, or cause to be sold between July 4, 1975, and January 1, 1977, not exceeding 60 million gold goins commemorating the Bicentiennial. There was no comparable provision in the House amendment, and the Senate receded on this point, so it was not left in the bill. Mr. WYLIE explained that correctly.

Mr. SYMMS. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, could the gentlewoman make that clear, that there were 60 million silver-clad coins and we receded from that position to 45 million?

Mrs. SULLIVAN. We receded with an amendment from our opposition to the 60 million silver coins to be made for sale between July 4, 1975 and January 1, 1977. Under the conference agreement the authority to produce 60 million silver coins is still there, but 15 million of them do not have to be produced unless the Treasury has orders for them. And these coins do not have to be disposed of within an 18-month period, as the Senate bill had provided.

Mr. SYMMS. But there will be 45 million silver-clad coins?

Mrs. SULLIVAN. Yes, and they must be ready by July 4, 1975.

Mr. SYMMS. I thank the gentlewoman for yielding to me.

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

Mrs. SULLIVAN. I am happy to yield to the gentleman from Pennsylvania.

Mr. DENT. I have a brief observation to make. When I was a young fellow I was a member of the Marine Corps and traveled in many countries. I had a standard I could use, which was a surefire cinch, to know what kind of a country I was going into, by three simple things. Every country I went into that was poor economically sold stamps, coins, and had a lottery. We are doing all three things in my State right now.

Mrs. SULLIVAN. As chairman of the conference, I am, of course, pleased that we have now cleared the way for a prompt start on the production of special coins marking our 200th birthday as a nation.

While I have some strong misgivings about the merits of the agreement reached on silver coinage—because I think it will unduly burden the Bureau of the Mint in turning out by July 4, 1975, far more silver coins than there may be public demand for as proof or uncirculated coins sold at a premium—the managers on the part of the House at least managed to cut down the required production of silver coins from the 60 million contained in the Senate bill to 45 million.

CONTROVERSY OVER SILVER COINS

Under S. 1141 as passed by the Senate, these 60 million coins would have been available for sale only between July 4, 1975, and January 1, 1977. If that provision had been enacted, we could foresee the Treasury having left on hand a vast quantity of silver coins after January 1, 1977, which, under the law, it could not distribute. These coins would either have to be melted down or be kept in storage indefinitely until new legislation were passed providing for some means of disposing of them.

The 45 million silver coins provided for in the conference report do not have to be sold or disposed of by any specific date. The Treasury has advised us that it plans to offer these coins in sets of 3, so it will take 15 million orders to account for the 45 million silver coins authorized in the legislation. Normally, the Bureau of the Mint can expect orders for only about 3 million of any of its special numismatic offerings each year, so a great many citizens who do not usually buy proof or uncirculated coin sets will have to be encouraged to purchase sets of the Bicentennial silver coins if they are eventually to be sold.

The Senate conferees fought hard for their provision for 60 million or more silver coins and were adamant against a House proposal to provide for the minting of only enough silver Bicentennial proof and uncirculated coins to meet actual public demand. In view of other concessions made by the Senate to the House on this legislation, the House conferees finally moved to accept the Senate's counterproposal of requiring 45 million silver coins to be produced by July 4, 1975, with permission to the Mint to strike the remaining 15 million only if needed to fill orders.

USE OF SILVER SET ASIDE IN 1970 FOR EISENHOWER SILVER DOLLARS

There was, of course, a tremendous lobbying effort put forward by manufacturers of silver clad coinage material to require the production of large numbers of silver coins for the Bicentennial so that they could compete to provide the coils of strip from which the coins are struck. Although the silver will come out of Treasury stocks, the silver coin cladding material is manufactured outside the mint.

The bright expectations of these suppliers 3 years ago that 150 million Eisenhower silver dollars would quickly be purchased by the public at $10 each for the proof coins and $3 each for the uncirculated have not been realized and mint orders for silver cladding material were far below industry hopes.

Instead of 20 million of the proof coins and 130 million of the uncirculated being sold in only 2 years, as predicted in 1970, the mint has disposed of only about 7½ million of the proof silver dollars and about 10½ million of the uncirculated silver coins in the past 3 years.

Under the legislation before us, much of the silver set aside in 1970 from the defense stockpile for the production of 150 million Eisenhower silver dollars will now be used to produce at least 45 million Bicentennial silver coins, whether or not they can be sold.

In any event, the manufacturers will now be assured an opportunity to compete for immediate orders of large quantities of clad silver strip material, which the mint will have to buy.

I hope all 45 million of the silver coins can be sold eventually, at prices sufficient to cover the high market value of the silver they contain plus the substantial additional costs which go into the production and distribution of special numismatic items such as these. Under a provision insisted upon by the House conferees, these coins may be distributed only as proof or uncirculated coins, and cannot be disposed of through the banking system at face value. At present market prices of silver, these coins would contain silver worth almost as much as their face value, and if the price of silver rises back to levels it reached several times in recent years, they would be worth more as silver than their face value. Hence, there would be no sense at all in distributing them at face value only to have them melted down for their silver content, as has happened in the past 4 years with hundreds of millions and perhaps billions of other silver coins.

MUCH INTEREST IN A GOLD COIN

Mr. Speaker, many numismatists and other citizens would like to see a gold commemorative coin minted for the Bicentennial and the Senate bill required that such a coin be designed and struck and up to 60 million of them issued for sale between July 4, 1975, and January 1, 1977. Because of the uncertainties in the international monetary situation and in the future role, if any, of gold in that area, and also because of the gyrating price of gold on the world market, the conferees agreed to eliminate the Senate bill's requirement for a Bicentennial gold coin. We can perhaps reconsider this issue in the next Congress, in plenty of time to have a gold Bicentennial coin if the situation so warrants. But we cannot wait until next Congress to authorize new Bicentennial designs on the circulating coins if we are to have them available for the Bicentennial period in sufficient quantitiees to meet what will undoubtedly be a huge demand for coins—both for commerce and for collector purposes. Thus I am glad that we have brought this bill to the point of final passage so that the mint can begin its preparations for what will be a tremendous production challenge.

A BIPARTISAN EFFORT

Mr. Speaker, while many members of the subcommittee, and Chairman PATMAN and the ranking minority member of the full committee, Mr. WIDNALL, were all most helpful in developing this legislation, I want to thank particularly the

ranking minority member of the subcommittee, Mr. WYLIE. He was most conscientious and I appreciate his thoughtfulness and understanding. It has been a pleasure to work with him on this legislation, which was handled from start to finish in a nonpartisan effort to provide our citizens with coinage appropriate to a national anniversary of such significance as our 200th birthday.

I urge adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of the conference report. The gentlewoman from Missouri did an excellent job of explaining the conference report and I will not belabor the point.

I should like to say there was really only one point of disagreement so far as S. 1141 was concerned. The Senate receded to the House on all but one provision in disagreement. The provision with reference to gold which was in the Senate bill was removed by agreement, so that is not an issue before us today.

We accepted the position of the other body with reference to the production of 45 million silver Bicentennial coins. It was agreed that 45 million would be minted, and 15 million more be authorized if there appears to be public demand for them.

As the bill now stands, it is approved by the Treasury Department.

I believe we have a good bill. I believe the legislation is needed and we need to have prompt enactment of the legislation so that we can get on with the minting of these coins.

I urge the immediate adoption of the conference report.

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

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

Mr. GROSS. Would not the gentleman consider it more fitting if we did not again resort to gimmickry, if we minted these mementos out of the same old scrap metal we are using today? Are we kidding anyone by coming out with 45 million, 40-percent silver coins? We are only kidding ourselves, if we do

Mr. WYLIE. I am not sure I understand the gentleman's position. Is the gentleman suggesting we make the coins from some other metal?

Mr. GROSS. Exactly so and out of the sandwich stuff we have today, that has less than a penny's worth of intrinsic value in a 25-cent piece. That is what I am talking about. Why kid ourselves on the 200th anniversary of this country that we have silver money in circulation, when we would have only 45 million of such coins?

Mr. WYLIE. As I understand the gentleman's position, he is arguing against the provision which would authorize the minting of silver coins; is that correct?

Mr. GROSS. I am for going back to the minting of silver coins tomorrow, but I am not in favor of kidding ourselves by using this kind of gimmickry simply because it will be our 200th anniversary.

Mr. WYLIE. It is a matter of degree, if the gentleman from Iowa will permit me to say so. There is authorized in this bill the minting of 60 million silver-clad coins, which is a move in the right direction, so far as the position of the gentleman from Iowa is concerned.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Is it true that only a small number of companies are capable of performing this work on providing the material for the minting of silver coins? If it be true that several private companies benefit from the Bicentennial, I believe the House should be advised which companies will be working on such material.

Mr. WYLIE. The U.S. Mint will mint these coins.

Mrs. SULLIVAN. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CRONIN. Mr. Speaker, on rollcall No. 486, on the Agriculture Act Technical Amendment, I was present and voted "yea," but was not recorded. Had I been recorded, I would have been shown as voting "yea."

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. RHODES. Mr. Speaker, I have asked for this time in order to ask the distinguished acting majority leader, the gentleman from California (Mr. McFALL), if he is in a position to inform the House as to the program for next week and the remainder of this week.

Mr. McFALL. Mr. Speaker, will the distinguished acting minority leader, the gentleman from Arizona (Mr. RHODES) yield?

Mr. RHODES. I yield to the gentleman.

Mr. McFALL. Mr. Speaker, I will be happy to respond to the gentleman's inquiry.

Mr. Speaker, we will next consider House Joint Resolution 748, par value modification appropriations for fiscal year 1974.

As the gentleman knows, we have already passed the resolution to adjourn over until Tuesday.

The program for the House of Representatives for next week is as follows:

On Monday, we will have, of course, the Columbus Day recess.

On Tuesday and for the balance of the week, the program is as follows:

H.R. 9682, District of Columbia self-government bill, under an open rule, with 4 hours of debate. The Committee on Rules has just granted that rule;

House Joint Resolution 727, continuing appropriations, fiscal year 1974, which is a conference report;

H.R. 10614, military construction authorization, subject to a rule being granted; and

H.R. 10203, Water Resources Development Act, subject to a rule being granted; and

H.R. 9681, Emergency Petroleum Allocation Act, subject to a rule being granted.

Of course, this is subject to the usual reservation for the consideration of conference reports, which may be brought up at any time. Any further program will be announced later.

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 be dispensed with on Wednesday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object—and I shall not object—will the gentleman tell us the status of the adjournment resolution?

Mr. McFALL. Is the gentleman referring to the status of a resolution on adjournment sine die?

Mr. GROSS. No, I am referring to the adjournment over the weekend.

Mr. McFALL. Mr. Speaker, as I understand it, we have passed the adjournment resolution.

Mr. GROSS. Was that a House resolution?

Mr. McFALL. Yes, it was.

Mr. GROSS. Mr, Speaker, it is not subject to concurrence on the part of the other body?

Mr. McFALL. Mr. Speaker, it has been passed by both Houses. The adjournment is for 4 days instead of the usual 3 days, so we will not have to meet in a pro forma session tomorrow.

Mr. GROSS. Mr. Speaker, it is my understanding that the other body is saying that in disposing of legislation they are so far ahead of the House—the House in effect has been dilatory—that they are going to quit for some 2 weeks.

Mr. Speaker, that resolution has not come to the House as yet, or may they adjourn for 2 weeks without concurrence of the House?

Mr. McFALL. Mr. Speaker, that has not come to the House. That is not the resolution which I was discussing.

The one which I was discussing is the 4-day resolution permitting us to go over until Tuesday next, for the Columbus Day recess. The resolution or the possible resolution which the gentleman was referring to, which might permit the other body to be in recess for 2 weeks, has not come over. It is merely being dis-

cussed by the House and Senate leadership.

I am not certain that there is any definite or definitive—if I might use that word—decision made as yet concerning that recess, although I understand the leadership of the Senate would like to take such a recess for 2 weeks.

Mr. GROSS. On the basis that the House has been dilatory and has not done its work; that the other body is not at the present time considering any legislation at all?

Mr. McFALL. Well, in my conversations or in the conversations where I have been present with the Senate leaders, there was no indication on their part that they believe the House has been dilatory in any way. It is merely that the legislation which we are working on happens to be in the House.

Mr. GROSS. Well, Mr. Speaker, I trust the distinguished gentleman from California has read the public statement made by one of the Members of the other body that they can adjourn because the House is so far behind. For whatever reason, the House is far behind the other body in its work.

Does the gentleman really believe that?

Does the gentleman think that on that basis the other body ought to be turned loose to kick up its heels and go on various junkets at home and abroad?

Mr. McFALL. I did not draw the same conclusion that the gentleman did, in my conversations with the Senate leaders. I do not believe they are saying we are dilatory in any way. They are merely saying that the important legislation which is in the legislative mill is on the House side of the Capitol at this time.

As the gentleman knows, we have home rule coming up next week. We hope to have the trade bill coming up the week after that. We have the military construction authorization bill next week. We have the foreign aid appropriations bill which awaits the conference report on foreign aid, which is being considered by the Senate this week. We have the defense appropriation bill which must await a markup because of the conference between the House and the Senate on the procurement legislation. So that most of the work is being done by the Members of the House. That legislation will be ready and will go over to the Senate very shortly.

Mr. GROSS. So that if they stay around and are interested in sine die adjournment before Christmas Eve, there is plenty of work for both bodies to do. Is that not correct?

Mr. McFALL. Well, I would say yes, the gentleman is very correct.

Now, there may not be legislation for action on the Senate floor. I do not know about the Senate Calendar. I make no comments on it. But I would say to the gentleman that there is an immense flood of legislation that has to be cleared in conference.

I am sure that the gentleman from Texas, the chairman of the Committee on Appropriations, would like to make some comment on this if the gentleman would yield to him, because I have discussed the problem with him this morning. He has been working on it with the Senate. He has, I think, some very important comments which the gentleman would like to hear.

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

Mr. GROSS. I am glad to yield.

Mr. MAHON. Before the other body at this moment is the $33 billion Labor-HEW appropriation bill. It may pass today. It passed the House, of course, in June. We are hopeful that we may go to conference very soon, so that we might possibly send it to the White House late next week. Whether that can be achieved or not I do not know.

I would like to say to the gentleman from Iowa that certainly he is correct in assuming that this body has not been dilatory in undertaking to consider business which has been presented to it.

Let us consider the appropriation bill for Agriculture-Environmental and Consumer Protection. The House and the Senate passed this bill quite some time ago. The bill has gone to conference and the House has passed the conference report. It is in the other body. The other body has not taken action on that. I am hopeful that the other body will take action on the conference report in the very near future.

The HUD-Space-Science-Veterans appropriation bill has passed both bodies. It has gone to conference. The House has passed the conference report, but the other body has not yet agreed to the conference report. I hope an agreement can be reached soon.

State-Justice has passed both bodies but has not gone to conference. There are certain authorization problems.

The Treasury-Post Office appropriation bill has passed both bodies and is scheduled to go to conference next week.

The legislative bill passed the House and the Senate earlier and is scheduled to go to conference next week.

Of course, one of the urgent matters to be considered next week is the second continuing resolution.

I would point out that the House passed 9 of the 13 regular annual appropriation bills before the new fiscal year began on July 1. Another passed on August 1. Three regular appropriation bills remain—defense, military construction, and foreign operations—but there continues to be authorization problems associated with these bills. We finished appropriation hearings on foreign operations and military construction before the August recess and have been awaiting authorizing legislation. We are in the final stages of hearings on the big defense bill and will be in a position to begin working on a bill when the authorizing legislation is finalized.

In addition to the regular annual appropriation bills, we have at this session passed three continuing resolutions, two supplemental bills, and today will have before us a measure to provide funds for certain international financial institutions in accordance with the par value modification legislation.

So I would say that the House has done a very respectable job of dealing with these matters, and I would not want to leave the implication that the House has not been very active and progressive in its efforts to handle legislation.

Of course, if we can do a monumental job on moving these bills next week we will be in a much better position.

Mr. GROSS. I would not want anyone to leave that impression, either, I will say to the gentleman from Texas, and I appreciate very much the gentleman's comments.

Mr. MAHON. I thank the gentleman for yielding.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

PERSONAL EXPLANATION

Mrs. SULLIVAN. Mr. Speaker, I was present on October 2 when the vote was taken by electronic device on the conference report on S. 795, to amend the National Foundation on the Arts and Humanities Act of 1965. Although I inserted my card in the terminal and thought that my vote was properly recorded, rollcall 488 appearing at pages 32379–80 shows I was absent and not voting. Had the electronic devise recorded my vote properly, I would have been recorded as voting "aye."

PAR VALUE MODIFICATION APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to the unanimous-consent request which was granted by the House on October 2, 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 joint resolution (H.J. Res. 748) making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 1½ hours, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, Mr. Speaker, was this not established when the gentleman from Texas made his request that the House would go into the Committee of the Whole House on the State of the Union with an hour and a half of general debate? I do not see why this further request is necessary.

Mr. MAHON. The gentleman from Iowa is correct that I did make a unanimous consent request.

Mr. GROSS. And there is no reason for making a further request now.

Mr. MAHON. The actual unanimous consent request did not make reference to the time of debate. I indicated during a colloquy with the gentleman from Iowa that I would request 1½ hours of debate when the bill was brought before the House and that is the reason for such a request at this time.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas.

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 joint resolution (H.J. Res. 748), with Mr. BRADEMAS in the chair.

The Clerk read the title of the joint resolution.

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

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 45 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 45 minutes.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself 5 minutes.

DEVALUATION OF THE DOLLAR

Mr. Chairman, we have before us a more or less routine appropriation bill having to do with the devaluation of the American dollar. The dollar was devalued last year by 7.89 percent, and the Congress took action to confirm this devaluation and appropriated $1.6 billion for the purpose of permitting the United States to maintain the value of its contributions to certain financial organizations.

This year the dollar has been devalued by 10 percent, so we have had the devaluation of 10 percent plus 7.89 percent, but actually the dollar has fallen further than just 10 percent plus 7.89 percent. The acceleration value of other currencies and the world monetary situation generally makes it correct to say that the dollar has lost about 30 percent of its value within recent months.

Why should we be appropriating about $2 billion as a result of the devaluation of the dollar? Rightly or wrongly, over a period of years the U.S. Government under various administrations has joined various international monetary institutions. Congress, upon the recommendation of the executive, approved our joining these institutions. Those financial institutions are the International Monetary Fund, the International Bank for Reconstruction and Development, which is known as World Bank, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank.

It was provided that all countries joining these financial institutions would maintain the par value of their contributions, and so if a country devalues its currency, it has to put up additional funds in order to maintain the par value of its original contributions to these financial institutions. In the past there have been about 200 devaluations involving 60 countries. The amount involved over time by other countries has exceeded $10 billion.

I was a little surprised that there have been so many devaluations and so many actions on the part of various countries to maintain the par value of their contribution to these international financial institutions. No country, according to the testimony we received, has ever defaulted in its responsibility to maintain the par value of its contribution to these organizations.

The House and Senate a few weeks ago approved the devaluation of the dollar by an overwhelming vote. The fact is that the devaluation was an accomplished fact at the time we took this action. The Congress approved the devaluation of the dollar and the President signed the measure into law on September 21. He signed into law last year the devaluation on March 31 of 1972. So the Government—the executive branch and the legislative branch—has taken action to make it mandatory that we maintain the value of the American dollar which has been provided to these financial organizations.

The law provides:

The Secretary of the Treasury is authorized and directed to maintain the value in terms of gold of the holdings of the United States dollars of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank to the extent provided in the articles of agreement of such institutions.

So we have really, as I see it, no alternative other than to make this appropriation.

THE PURPOSE OF THE JOINT RESOLUTION

The joint resolution would appropriate such sums as may be necessary—but not to exceed $2,203,000,000, to enable the Secretary of the Treasury to carry out the provisions of section 3 of the Par Value Modification Act, Public Law 92–268, as amended. That law authorizes and directs the Secretary to maintain the value in terms of gold of the holdings of the U.S. dollars of the financial institutions I just referred to.

There are three different kinds of obligations to which maintenance of value applies. They result from: First, participation in the International Monetary Fund, second, the callable capital and other contingent obligations of the international development banks, and third, paid-in capital subscriptions to these institutions.

A supplemental appropriation request from the President for this purpose is contained in House Document 93–106 of May 29, 1973.

COMMITTEE ACTION

The budget estimate submitted to Congress in May requested $2,250 million in new budget—obligational—authority for maintenance of value requirements associated with the above mentioned international financial institutions. The committee recommends an amount of not to exceed $2,203 million—a reduction of $47 million. During the course of committee deliberation it developed that the lower figure would be sufficient for the following two reasons.

Although the May budget submission requested $2,250 million, it was actually estimated that an appropriation of only $2,225 million would be required. The additional amount of $25 million was transmitted because exact maintenance of value obligations are fixed at the time the United States formally communicates its par value change to the International Monetary Fund. More recent calculations confirm that it is not necessary to appropriate the $25 million included in the budget estimate to provide leeway for possible increases in U.S. dollar holdings before the par value notification is officially made.

In addition, it was established that $22 million of the $1.6 billion appropriated last year for maintenance of value would not be required to fulfill obligations resulting from the 1972 devaluation. Since these funds were authorized and appropriated to fulfill maintenance of value obligations, the $22 million remains available for use in connection with the proposed change this year in par value. The committee has likewise applied this reduction to the pending request.

It is estimated only a part of the total appropriation will actually result in budget expenditures.

Of the $2,203 million, $477 million will be expended over a 13-year period, with $12 million to be spent in 1974. The expenditures are associated only with the paid-in capital part of our contributions. Hopefully none of the rest of the remaining appropriation, $1,756 million, will result in outlays. It will instead be issued in letters of credit and callable capital which back up financial commitments of the international financial organizations. In the past these letters of credit and callable capital have never been utilized.

It was testified to that in the past, some 200 devaluations have been made by other countries that are members of the international financial institutions which have resulted in over $10 billion in maintenance of value payments to these institutions. Never in the history of these organizations has a nation reneged on its obligations. It would indeed be sad if we were the first.

Many Members have asked, why do we have to do this? Is it just more foreign aid we are appropriating?

Obviously, we could do nothing. But if we failed to pass this measure, it would mean repudiating a law that we passed only 2 weeks ago pledging our Government to take this action. Additionally, we would be violating articles of agreement in regard to these international financial development institutions. Regardless of your feelings about this matter, it is clear that the Congress over the past years has formally taken actions which obligate us to make this appropriation.

INCREMENTAL FUNDING OF THE U.S. LIABILITY

It has been suggested that we appropriate only $12 million, that is, only the estimated expenditure amount applicable to fiscal year 1974. But the other parts of our contributions—the callable capital and the International Monetary Fund—

are just as important and legally binding as the $12 million.

Appropriating only $12 million just simply does not live up to our legal and moral commitments.

The law authorizes and directs the Secretary of the Treasury to maintain the value of our contributions in these international financial institutions. The bill devaluing the dollar by 10 percent passed the House 322 to 59, an overwhelming majority.

The law does not talk about maintaining the value of just a part of our contributions.

Additionally, we have commitments to maintain the value of our contributions because of the articles of agreement that the United States signed when we joined these organizations.

This is exactly the same law and procedure that the Congress followed in May 1972 regarding the first devaluation.

It would be disgraceful if the United States became the first government in history that failed to honor the commitment it had legally entered into with these international financial institutions.

Actually the appropriation for dollar devaluation is to some extent a paper transaction. The law and the appropriation validates our commitment to maintain the value of the dollar in these organizations. But actually of this money we are appropriating, only about $12 million of it will be expended during the current year and in the next 12 years only $477 million of it will be expended. But all of the appropriation or substantially all of the appropriation is necessary in order for us to fulfill the requirements of the law.

So I urge my colleagues to support the appropriation bill, as they have by an overwhelming vote supported the authorization of the appropriation which we are providing in the pending resolution. These funds can only be devoted to the specific purposes set forth in the legislation. If they are not used for those purposes they can be used for no other purposes at all.

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

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

Mr. GROSS. This comes after the fact, does it not, of actual devaluation? In other words, section 286(c) of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreement Act, provides as follows:

> Unless Congress by law authorizes such action neither the President nor any other person or agency shall on behalf of the United States agree to any change in the par value of the United States dollar.

The dollar has been devalued for all practical purposes prior to this time. Does the gentleman not agree with that?

Mr. MAHON. The dollar has, for practical purposes, been devalued. This was immediately reflected in the marketplace.

We have over a period of years made contributions to these international institutions and we are committed to maintaining the value of these dollars in these various institutions. The money has already been appropriated by Congress for our participation in these organizations. Of course each year there is usually a request for additional funds.

Mr. GROSS. And that without authorization by law?

Mr. MAHON. No.

Mr. GROSS. An appropriation went through the House this afternoon providing $7.5 million in the USIA bill due to devaluation; to take up the shortfall in the dollar due to devaluation.

Mr. MAHON. The Congress has approved the devaluation of the dollar. The House and the Senate have also approved appropriations for these organizations and we have mandated the expenditure of the necessary amount of the funds to maintain par value, so I do not see anything we can do other than to provide these funds. The official devaluation from the standpoint of these institutions is dependent upon the legislation enacted by the Congress. But for all practical purposes when the operation was begun by the executive branch to devalue the dollar, it was an accomplished fact as reflected in the marketplace.

Mr. GROSS. If the gentleman will yield further, this means that in the last 2 years Congress will have approved, if this resolution is passed, a total of almost $4 billion to take care of the shortfall in the dollar due to two devaluations. Is that not correct?

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. MAHON. Mr. Chairman, I yield myself 5 additional minutes.

The Congress has approved appropriations of $1,600,000,000 and we are today considering an additional $2,200,000,000, which would make about $3.8 billion or close to $4 billion as the gentleman indicates. This is a regrettable situation, but our lack of proper balance of trade, our chronic payments imbalance, the large amount of dollars in foreign hands, our domestic inflation, the lack of restraint in Federal spending, failure to provide adequate revenue in order to pay the expense of the Government and many other factors have contributed to the situation with which we as a nation are confronted.

With respect to the measure before us today, all we can do now is pick up the tab. If, in the future, we do not want to contribute to these organizations, then we will have a lesser devaluation problem, but we still will have the responsibility with respect to past contributions to these various international organizations.

Mr. GROSS. Mr. Chairman, will the gentleman then agree with me that if Congress is going to be in on the crash landing, as we are here today, we ought to be taken in and considered on the take-offs. In other words, Congress was not consulted about the devaluation in any way, shape, form, or manner, so far as I know. There is no commitment on Congress to honor this devaluation, because we were not a party to the original deal.

Mr. Chairman, I want to take time, if the gentleman will yield further, to commend the gentleman from Texas, the gentleman from Louisiana (Mr. PASSMAN), and the gentleman from Mississippi (Mr. WHITTEN), in particular, for the questions they addressed to Mr. Volcker of the Treasury in connection with this devaluation, and this appropriation because of devaluation. I certainly want to commend them for the questions they asked as well as other members of the committee. I recommend the hearing to the reading of all Members of the House.

Mr. MAHON. Mr. Chairman, I thank the gentleman. The hearings are brief but they are very revealing. I appreciate the words of commendation which the gentleman from Iowa has expressed, and I share his concern that we do a better job of managing these matters in the future.

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

Mr. MAHON. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Chairman, referring to the report at the bottom of page 6 and top of page 7, we find the following language:

> The maintenance of value of $477 million relating to paid-in subscriptions will have eventual budgetary impact. However, this amount will be paid in the form of letters of credit and these letters of credit will have a cash impact only as they are drawn down.
>
> A disbursement on these letters of credit and a resulting budgetary impact of $12 million are anticipated in fiscal year 1974. The remaining drawdowns are expected to be spread out relatively evenly between 1975 and 1986.

If this is the case, why is it that we must this year appropriate the total in this particular category of $477 million?

Mr. MAHON. We must do this because as a nation we have signed articles of agreement, and have pledged our honor that we would do so. This is what the Congress provided for in the authorization legislation and this is what we have provided for here.

It happens that this is the way the matter has been handled. I have here a letter from the Under Secretary of the Treasury, Mr. Volcker, from which I will read this paragraph:

> This obligation falls due at the time the par value of the dollar is changed.

This is what he says, and he is the ultimate authority in the Treasury:

> To meet this obligation, the funds requested through the appropriation process must be available in full. This is so despite the substantial reduction in the real financial cost to the United States resulting from the fact that a very large part of the obligation—$1.7 billion—is not expected to result in expenditures, and the rest—$477 million—will only result in expenditures over a period of about 10 years. However, unless the full appropriation is available, we will not have the legal authority to enter into these international financial commitments that flow from devaluation.

He emphasizes, "The legal authority."

Mr. ROUSH. Mr. Chairman, I appreciate my chairman's responses; however, I am compelled to vote against this bill.

Mr. Chairman, my vote is a vote of protest. While the Congress did approve, and I concurred, the latest devaluation of the

dollar, the administration acted contrary to law and the manner by which devaluation was reached is subject to criticism. Mr. FLYNT of Georgia has correctly pointed out the pertinent provision of law. Section 286C of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreement Act provides:

> Unless Congress by law authorizes such action neither the President nor any person or agency shall on behalf of the United States . . . propose or agree to any change in the Par Value of the United States dollar.

This has been accomplished but contrary to this provision of law and today we see the natural consequences of that action—The President has asked that we appropriate $2.25 billion to maintain the value in terms of gold of the holdings of the U.S. dollars of the International Monetary Fund and the four international development lending institutions. This request is in addition to budget requests submitted last January.

In addition to the above argument there is an additional argument which I think is persuasive. It is not necessary to appropriate the total amount requested. My Chairman's statement would indicate that at the most $447 million is needed to care for the immediate problem caused by the dollar devaluation and only $12 million of that is needed in fiscal year 1974. The balance is requested to maintain the value of callable capital, a contingent liability. It has never been called in the past and it is highly unlikely that these subscriptions will be called in the future; nonetheless, we are called upon to appropriate these funds which total over $2 billion. My protest stands and my "nay" vote reflects my position.

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

I believe the distinguished chairman of the Committee on Appropriations has adequately explained the situation with which we are confronted here today. I should add that the Appropriations Committee unanimously approved this resolution. We did have an amendment offered in the committee, which was overwhelmingly defeated.

One of the important things to remember is the impact on the 1974 budget, and on future years. The gentleman from Indiana pointed out that the impact in the coming fiscal year will be about $12 million.

In the light of the action the Congress took in approving the devaluation, by a vote on the conference report of 322 to 59, I do not see we have any other choice.

A question has been raised as to whether or not it is necessary to do this now. I believe we are doing what every other nation which belongs to these various organizations has done already, when faced with the same problem of devaluation. As the chairman pointed out, there have been many devaluations of currencies of various countries in the past several years. In those cases those countries have had to take this kind of action, and some of them many times more than we have.

What we are doing is complying with our international agreements. The budgetary impact is very small.

Mr. Chairman, I should like to urge prompt enactment of this appropriation. Now that legislation has been passed authorizing and directing the Secretary of the Treasury to take the necessary steps to reduce the par value of the dollar by 10 percent, this appropriation represents the final legislative step necessary for the United States to do its share in the realinement of international currency values to which it has commited itself.

Mr. Chairman, I believe that this appropriation must be seen in the total context of the financial effects of the proposed change in par value. The change in par value will have the effect of increasing certain U.S. assets and liabilities and it should be noted that there is indeed a rough offset between increases in these assets and liabilities. Some of these liabilities will be financed without need of appropriation, the remainder—increased United States payment obligations to the international financial institutions—will be financed through this appropriation of a maximum of $2,203 million.

The increased payment obligations to the international financial institutions derive from provisions in the Articles of Agreement of these institutions requiring member countries to maintain the value of their subscription in terms of a common denominator—in this case gold. The purpose of this requirement is to assure that the contributions of all members are maintained in value in relation to each other despite changes in exchange rates. This provision has worked in favor of the United States in the past in assuring that other countries that devalue their currency do not diminish the value of their contributions. It assures that our share in the assets and our voting rights in these institutions are not impaired by devaluation of other currencies.

The United States as a member of the International Monetary Fund and the multilateral development lending institutions must fulfill its maintenance of value obligations as provided in the Articles of Agreement of these institutions. These obligations involve $756 million for maintenance of value in the International Monetary Fund, $992 million for maintenance of value on callable capital and other contingent obligations of the international development lending institutions and $477 million maintenance of value on paid-in capital of these institutions.

The obligation to the International Monetary Fund—in the form of a letter of credit—will have no budgetary impact and it is highly unlikely that our contingent obligations will give rise to budgetary expenditures. Therefore, it is anticipated that total budgetary expenditures as a result of this legislation will amount to only $477 million with no expenditures anticipated for this fiscal year. The budgetary impact for fiscal 1974 will be $12 million which represents maintenance of value obligations on the paid-in subscription of the Asian Development Bank. The budgetary impact for fiscal 1975–86 will be $465 million which represents maintenance of value obligations on capital now paid in and held by the multilateral development institutions, paid-in capital now out on loan by the international banks as well as capital to be paid in under authorizations now in progress.

Mr. Chairman, I should like to put our maintenance of value obligations in perspective by comparing our obligations resulting from the two devaluations with regard to the paid-in capital of the international development banks as well as the International Monetary Fund with the obligations of other countries. Our obligations resulting from the two devaluations will amount to about $2 billion—this compares with over $10 billion in maintenance of value obligations of other countries.

There is another perspective to keep in mind. I mentioned earlier that there is a rough offset between assets resulting from devaluation and our liabilities resulting from devaluation. These assets should not be disregarded when we talk about our liabilities. Indeed, in terms of the effect on our liquid international reserve assets—which provide cash to the Treasury—there will be an increase of $1.4 billion compared to the liabilities of $477 million on paid-in capital to the international financial institutions which will become a cash drain.

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

Mr. GROSS. Mr. Chairman, am I correct in assuming that we are not the recipients of any funds from any of these international lending institutions which benefit from this windfall?

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

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

Mr. MAHON. I would say the gentleman is correct.

It seems that we, as a nation, are enamored with the idea of trying to help the underdeveloped countries. At the time the United States joined some of these organizations and sponsored their origin we were in much better fiscal condition than we are now.

The major portion of the funds available to these organizations goes to the underdeveloped countries. The World Bank, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank lend funds to underdeveloped countries.

This is an effort to bring these countries along to a higher economic standard to a very considerable extent. The great and powerful United States does not participate in benefits from the standpoint of receiving funds directly from these institutions, but we do a certain amount of business with these underdeveloped countries as a result of the financing provided by these international financial institutions. So it undoubtedly contributes to some extent to U.S. labor,

industry, and agriculture since we belong to these organizations. Additionally, all member nations are also able to draw certain funds from the International Monetary Fund when specific conditions warrant such drawings.

Mr. SHRIVER. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. Yes, I yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Chairman, I think to be perfectly fair we should point out some of the benefits of our contribution, as disclosed in the testimony before the full committee.

In the hearings I asked the following question:

To what extent has the United States benefited from these contributions?

This is found on page 52 of the record of the hearings.

The answer is as follows:

The cumulative impact of financial transactions with the international development institutions on the U.S. balance of payments has been an inflow or surplus of approximately $2.8 billion. In only one of the past 8 calendar or fiscal years ending June 1973 did the net transactions result in an outflow, as shown in the summary table below.

Mr. Chairman, it is all in the testimony.

They further testified as follows:

The overall surpluses have been largely due to the purchase of goods from the United States for development projects in the borrowing countries. Substantial interest payments have also been made to U.S. holders of the bonds of these institutions.

Then they go ahead and point out that considerable inflow comes into this country by virtue of the fact that these international organizations have their headquarters here in Washington, D.C. Such inflows amounted to more than $100 million in 1972.

So there are some good sides, some pluses, to our participation in these multilateral institutions, and I believe these benefits should be pointed out to the Members of the House.

Mr. GROSS. This represents an outflow of dollars, does it not?

Mr. SHRIVER. Very little. Actually the budget outflow will only be $12 million this fiscal year.

Mr. GROSS. But it could result in a tremendous outflow, could it not?

Mr. SHRIVER. Yes. Mr. Chairman, there is a contingent liability of responsibility. However, that has never been true, nor is it likely in the foreseeable future.

Mr. GROSS. Mr. Chairman, we have in the neighborhood of 90 billion American dollars floating around the world that no one in this country seems to know how to recapture. Some of those dollars are coming back to this country and being invested by their foreign holders in Treasury notes, on which we are paying interest; is that not correct?

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

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

Mr. CEDERBERG. Mr. Chairman, in answer to the gentleman, yes, that is correct. However, that is not the cause of these dollars being over there. Those people have been buying Volkswagens and Datsuns and all kinds of other things, and that factor has contributed to this.

This resolution is an insignificant part of that situation. As a matter of fact, it has been pointed out that this is in our best interest.

Mr. GROSS. Mr. Chairman, that might be, but there is a commitment of $2,200,000,000 in this legislature.

Mr. CEDERBERG. I do not see what that argument has to do with this particular issue here.

Mr. GROSS. Mr. Chairman, I am talking about the outflow of dollars to compound an already bad situation.

Mr. CEDERBERG. Of course, the international financial institutions dealt with in this resolution provide an inflow of dollars.

Mr. GROSS. An inflow?

Mr. CEDERBERG. Yes. They are a balance-of-payments plus for us.

Mr. GROSS. The balance of payments is a plus for us?

Mr. CEDERBERG. In this particular situation, yes.

Mr. GROSS. Mr. Chairman, the gentleman is going to have to take a good, long rainy day or a day when it is snowing hard to ever convince me of that.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. GROSS) has expired.

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

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

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

Mr. FLYNT. Mr. Chairman, I thank the gentleman from Iowa for yielding to me.

I would like to address this question to the gentleman from Kansas (Mr. SHRIVER) if the gentleman from Iowa will yield for that purpose.

In response to one of the questions asked by the gentleman from Iowa, the gentleman from Kansas said that this $2,203,000,000 did not mean anything because all that was drawn would be approximately $12 million this year, and the total, I believe the gentleman said, of $477 million over the next 11 years.

Did I understand the gentleman from Kansas correctly?

Mr. SHRIVER. No, I did not say anything about the $477 million.

Mr. FLYNT. All right. The gentleman talked about the $12 million.

Is that not true of every appropriation bill this Congress has ever passed—that all an appropriation bill constitutes is new obligational authority?

Mr. SHRIVER. The gentleman is correct.

Mr. FLYNT. Then we are creating with this a new obligational authority of $2,303,000,000 which can be drawn upon if these international organizations see fit?

Mr. SHRIVER. Yes. This appropriation is a result of the agreements we have entered into with these international organizations, and most of it will never be expended from the Treasury.

Mr. FLYNT. Mr. Chairman, would the gentleman agree with me, as, I am sure, the gentleman from Iowa will, that this kind of international financing is what has gotten the U.S. Treasury in the mess it is in now?

Mr. SHRIVER. No. Mr. Chairman, I pointed out a while ago the many benefits from the standpoint of our balance of payments we receive from our participation in these organizations, and further benefits which have been in connection with trade and selling our products abroad.

Mr. GROSS. Mr. Chairman, let us take a look at the previous devaluation of some 8 percent for which $1.6 billion was appropriated to take care of the shortfall in the dollar.

As I understand from Mr. Volcker's testimony, we put out $1.5 billion in that case, almost all of the $1.6 billion. What reason is there to believe that the entire $2.2 billion being provided here today will not go out? Why is it any different than the first devaluation of about 8 percent?

Mr. MAHON. Will the gentleman yield?

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

Mr. MAHON. We must recognize, as I know the gentleman from Iowa does, that when we devalue the dollar and appropriate this money the national debt goes up in the United States by only the amount that is actually expended and this would amount to only $12 million in fiscal year 1974 and hopefully only $477 million over the next 12 years with regard to the entire $2.2 billion involved here today.

It is true that the entire $2.2 billion is an obligation as such but most of the funds will be a highly contingent liability which will, hopefully, never have to be expended.

I say to the gentleman from Georgia, and I am sure he will agree, this is dissimilar in many respects from the average appropriation, because usually all the dollars are actually being expended, not the first year, but ultimately. It is estimated and has been testified to that only $465 million of the $2.2 billion in this resolution will probably be spent, but the obligation of the United States is there.

Mr. GROSS. They used up almost all the $1.6 billion that was committed in the previous devaluation.

Mr. MAHON. The gentleman is correct that most of the $1.6 billion has been obligated. Again I would like to say, the national debt would only go up by the $12 million estimated to be expended during the current fiscal year.

Mr. GROSS. Well, is the gentleman saying that the debt will not go up by this amount?

Mr. MAHON. The debt would not go up by the $2.2 billion unless the funds are actually expended, because the debt does not increase until there is an expenditure of funds and it is highly unlikely that the bulk of these funds will ever be expended.

Mr. GROSS. I would like to address one more question to the distinguished gentleman from Texas along this line.

This bill provides for $2.2 billion to go to four or five international lending institutions. Is that not correct?

Mr. MAHON. That is correct.

Mr. GROSS. And this bill contains not a dollar of the many millions that have already been authorized and/or appropriated by this session of Congress, millions of dollars to take care of the devaluation shortfall in other areas. Is that not correct?

This is going to one pot and one pot only, this bill. In the preceding bill, even in the USIA there was $7.5 million. That is not in this bill, is it?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. Neither is there a dime in this bill to take care of the shortfall in the dollars used by our military forces overseas.

Mr. MAHON. The gentleman is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CEDERBERG. Mr. Chairman, I yield such time as he may use to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER. Mr. Chairman, the par value modification appropriations hearings contain some very interesting facts I would like to call to the attention of the House. As a matter of fact, there are a couple of statements in here while not directly allied to the bill before us are nevertheless relevant to its consideration. I refer to Chairman MAHON's questions of Under Secretary of the Treasury Paul A. Volcker concerning World War I debts. I know this goes back a ways, as Mr. MAHON has indicated, but there is a lot of strong feeling among the people of the United States, including myself, that we ought to collect our World War I debts.

Secretary Volcker has answered some of the questions put to him by the chairman in this regard. He stated the United States is owed about $20.2 billion in due and unpaid principal and interest on debts which stem from U.S. financial assistance to our allies during World War I and from various relief programs which went into effect during the postwar period. Most of the delinquent debt is owed by the United Kingdom, France, Germany, and Italy. Think of that—$20 billion in outstanding debts.

As we go to page 65 of the hearings we also have a table that indicates quite plainly the holdings in U.S. Treasury securities by official institutions, banks, and others in foreign countries. Amazingly enough the major holders of our Treasury securities are also the biggest World War I debtors. What a state of affairs. Imagine—we are paying interest to the very countries that are still owing us World War I debts and who now own a big part of our national debt. In other words, the money that we loaned to get them back on their feet has enabled them to buy into our national debt and get still more U.S. money in the form of interest paid.

In the case of France, they hold $4.636 billion of our national debt, yet still owe us $6.1 billion on the original World War I debts.

In the case of Germany, they own $23,117 million of our Treasury securities—our national debt—and they in turn still owe us $1.6 billion.

We have the same situation with Italy. They own $270 million of our national debt, money they have loaned us to pay our debt, and yet they owe us $1.4 billion.

In the case of the United Kingdom, they still owe us $8.8 billion on their World War I debt, yet they loan us, and collect interest on $4.313 billion that we use to pay on our national debt.

The object of this $2.203 billion appropriations bill is to honor U.S. commitments to international organizations by maintaining the value of our contributions to their funds.

But where is this same honoring of commitments among other members of these organizations who owe us debts dating back over 50 years?

Once again the United States is a patsy. Always the world's soft touch, the United States plays by the rules while everyone else takes us to the cleaners.

For these reasons, I am voting "no" on appropriating $2,203 million of the taxpayers' hard-earned dollars.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, some time ago, some several years ago, I made a speech here, and it appears in the CONGRESSIONAL RECORD of May 4, 1964, the title of which was "We Must Reverse Our Course, We Have Not Changed the World, the World Has Changed Us."

I talked to the leadership yesterday, and again today, about the efforts some of us have made to regain control of the congressional budget and to bring expenditures in line with tax collection. Today we have this bill come before us after about 3 hours of hearings, appropriating $2,203,000,000, at a time when the whole subject of foreign aid, including our contribution, is under close scrutiny and, I hope, review.

I felt it incumbent to call the attention of the Committee on Appropriations on Tuesday to some of the facts I present here as well as the absence of some facts I feel we need.

These hearings are short, and I hope the Members will take the time to read them, and I feel sure that, when they have read them, that they will not see any substantial proof that we need to pay in this $2,203,000,000 now.

Let me point out to the Members, as has been pointed out earlier, the law, section 286(c) of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreement Act. I quote:

> Unless Congress by law authorizes such action, neither the President nor any personal agent shall . . . in behalf of the United States propose or agree to any change in the par value of the U.S. dollar.

Mr. Volcker, who is the Under Secretary of the Treasury for Monetary Affairs, and whose testimony is in the hearings, does not show, at least to me, any necessity for making this payment now. If the Members will read the hearings, they will see on page 4 that he said and I quote:

> As you know, the devaluation of the dollar was proposed in February 4—

If it was, it was right in the face of the statute I have just read to the Members.

He further states in his testimony that of this $2,203,000,000, only $12 million would be used the first year. He testifies that only $477 million of it would result in actual outlays from the budget. That is his opinion.

In view of that, plus the fact that our chief expert on foreign aid in the House, my good friend, the gentleman from Louisiana (Mr. PASSMAN), says that of the $460 billion debt we owe—$253 billion which is more than 50 percent, was incurred in foreign aid. I felt it incumbent to offer the following amendment in the committee:

> Strike out the last word in line 13, which is the word "six," and provide the following: "477 million. Such other items have been delayed until due and payable."

The amendment failed by a vote of 30 to 10. Personally, I truly believe a majority favored the amendment.

With a 2- or 3-hour hearing on $2,203,000,000; without substantial evidence that it is necessary to appropriate now; in view of the statement that the total cost will be $477 milion; where the statute says specifically the President himself nor anyone cannot commit the Congress to any change in the value of the dollar; with that kind of a situation, I believe it is time to delay appropriations or at least limit the amount to the $477 million. I did not propose, and those on the Committee on Appropriations who voted for my amendment, did not propose to repudiate any outstanding obligation when due and payable on a commitment, which to me appears doubtful. Certainly action could wait until the new figures or agreements on contributions are determined.

Our financial situation, the U.S. financial situation, has drastically changed. That is the basis for lowering the value of our money in relation to these other countries who contribute. Japan, which we have defended, letting that country invest its production in its economy, now has 22 billion of American dollars, surplus. Japanese leaving Japan on visits are required to take American dollars to get rid of them.

Japanese dollars, our promises to pay, are being used to buy up real estate, stock in corporations in the United States. To a lesser degree so is West Germany whose defense we have provided for, and Western Europe, who have our dollars to the point where they do not argue about the price I am told. I say to the Members it is high time that this Congress be sure that the $2,203,000,000 which would be made under this bill is due before we appropriate it. Is all the hurry because it is known that our percentage of contribution is reduced? It should be.

This is an appropriation of $2,203,000,000 that we can never regain, and it comes at a time when we are trying to regain control of the budget, at a time when we have astronomical debts,

which we need to reduce. As the gentleman from Louisiana said, $460 billion in total, of which more than 50 percent, $253-plus billion, was incurred in foreign aid and this bill provides more foreign aid. I think it ought to go back to the committee to be sure that the money is due and payable, because my reading of the English language does not read that it is due and payable. Let us see what world adjustments are to be worked out.

If it is due and payable, we would have to go borrow the money as we do not have it. With this in mind, let us be sure that it is due and payable first.

I shall see that the RECORD carries much of the hearings so that the Members will see that it is on solid ground.

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

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

Mr. LONG of Maryland. I want to commend the gentleman from Mississippi for the amendment which I supported in the committee. I should like to read to him the following and ask him if this is substantially accurate:

This $2.2 billion appropriation would commit the United States Treasury to honor letters of credit drawn by international financial institutions for many years to come, despite the fact that only $12 million (½ of 1 percent) is budgeted for the current fiscal year; only $477 million is budgeted at all and this is not to be completely drawn on until 1986.

That is 11 more years.

This bill would appropriate $2.2 billion, most of which is admittedly not needed now or possibly ever, and in any case is to be under the control not of Congress, not of the Treasury Department, but of a number of international groups without any responsibility to the United States government. Is this what the Congressional appropriations process was set up to accomplish?

Is that an accurate statement?

Mr. WHITTEN. I think that is. If I may add to it, the law says that not even the President can propose or take any action to change the value of the dollar prior to congressional approval. The Under Secretary of the Treasury said such action was taken in February. At that time certainly there had been no approval. So what do they say when we were called on to pass authorizing legislation? They said: We simply have got to authorize this devaluation because commitments were made in February. Now they say, since we passed the authorization, we must appropriate. Yielding to such arguments is what has contributed greatly to our $460,000,000,000 debt of which more than half was incurred in foreign aid.

Mr. LONG of Maryland. Would the gentleman agree that the whole purpose of the Appropriations Committee is not to slavishly fill authorizations or commitments of the Executive Department, but that we were set up to exercise some sort of fiscal control over the money going out, and we are not doing our job if we pass this type of legislation?

Mr. WHITTEN. I thought so. It was the reason I offered the amendment. I am glad to have the gentleman's support. But let me repeat so I am not misunderstood, we do not have in the hearings copies of any agreements or the statements from Justice or Treasury Department or the Attorney General that the $2,203,000,000 is due and payable now. We do have some free will offerings to that effect.

I shall repeat again that we who supported this amendment in no way attempted to repudiate any agreement of the United States, for language of the amendment provided that other items above the $477,000,000 are delayed until due and payable, which opens up the question and the question is opened, and after the hearings are read the Members will find the question is still open.

I think it would be sound business and I think we ought to stop, look, listen, and act accordingly. I think my speech in 1964 is more appropriate today than it was then: We have not changed the world. The world has changed us. We had better change our course.

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

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

Mr. GROSS. Mr. Chairman, this is certainly $2,203,000,000 more of foreign aid. It is foreign aid as much as anything could be. We have already expended more than $250 billion on foreign aid.

The gentleman made no truer statement in his life than when he said: We have not changed the world. The world has changed us.

Here is a perfect example of it.

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

Mr. CEDERBERG. Mr. Chairman, I yield the gentleman from Mississippi 1 additional minute.

Mr. Chairman, will the gentleman yield?

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

Mr. CEDERBERG. Mr. Chairman, I listened with interest to my friend, the gentleman from Mississippi. I do not think some of the arguments have anything really to do with what we are discussing today. However I would like to remind the gentleman he did vote for the devaluation, which requires us to comply with the law, which is what we are doing today.

Mr. WHITTEN. May I say I voted for the authorization, thinking it would be an authorization, and thinking when that authorization was passed and the appropriation came along, I would do as I think all Members should do, I would say we have authorized it and made it in order to pay it, but let us not pay it until it is due and payable.

Mr. CEDERBERG. It is due and payable.

Mr. WHITTEN. It is according to the gentleman, and if it is my amendment would do no harm.

Mr. Chairman, under permission prevously given I present excerpts from the hearings. I quote:

Mr. VOLCKER. We get into some statistical problems. It would be more than that if you included all forms of foreign dollar holdings. Some of these dollars are held abroad in a way that does not appear directly on our books. I think the $90 billion in the table that you have reflects the total held by foreign governments—which is the $70 billion figure that you used—and the other $20 billion would be holdings of private foreigners in the United States. Private people abroad can hold dollars outside the United States and they would not appear in this figure. This is the amount of dollars that they hold in the United States.

Mr. MAHON. Do these foreign governments and foreign individuals, involving this $90 billion, use any of its money to invest in the United States; for example, in Treasury notes?

Mr. VOLCKER. This money is invested in the United States.

Mr. MAHON. In other words, we are paying interest on it.

Mr. VOLCKER. That is right; by and large we are paying interest on this money. Some small amounts of it may not attract any interest, but we are paying interest on the great bulk of this money.

DOLLARS HELD BY JAPANESE

Mr. FLOOD. Of that $70 billion, how much does Japan hold?

Mr. VOLCKER. In very rough terms, something in the neighborhood of $12 billion by the Government.

Mr. FLOOD. Isn't it more than that? Isn't it $20 billion.

Mr. VOLCKER. We are getting into some definitional problems. In addition to what they hold in their official reserves, they hold another, a smaller amount in various forms and accounts that would be outside of their reserves.

Mr. FLOOD. I mean the Government.

Mr. VOLCKER. Some is Government and some is held through the banking system. Some may be indirectly held by the Government through private banks in some cases.

Mr. MAHON. Who are the principal holders of these funds?

Mr. VOLCKER. The two largest official holders are the Japanese and the Germans. But a great many countries hold dollars.

DOLLARS HELD BY GERMANS

Mr. FLOOD. What is the extent of the German holding?

Mr. VOLCKER. In round figures, it is near $25 billion.

Mr. WHITTEN. In that connection, you just described that the chief holders of our notes or money are West Germany and Japan.

Mr. VOLCKER. That is right, the two single largest holders.

FOREIGN INVESTMENT IN THE UNITED STATES

Mr. WHITTEN. Could we have the approximate amounts? Those are the two countries that after World War II we said, we will defend you and you need not defend yourself. They have been able to put their production into their economy as a result of our actions. Not only do they hold our dollars but they are seeking investments in the United States. On March 19, I had a letter from a large consulting firm in one of the eastern cities advising that they represented the Japanese Government and they were looking for investment in real estate, industry, or other business or anything solid. One of the young ladies in my office asked what it meant. I said they have our IOU's and now they want to foreclose and get some real estate, either actually, or stock in corporations which own a part of the United States.

I have tried to go over your statement of liabilities and assets as a result of the devaluation. It is evident that what you term assets are in reality material wealth valued in terms of a cheaper dollar.

Mr. VOLCKER. That is right.

Mr. WHITTEN. So if you increase the number of paper dollars by $2.25 billion, which apparently we have to do, to me it means we acknowledge that we were $2.25 billion worse

off or could be than had appeared; the end result is that you want $2.25 billion appropriation from the Congress which will show up as increased debt under present conditions. The circumstances require you to ask it. We are faced with reality.

Mr. VOLCKER. That is partly right. But as I mentioned in my testimony, the estimated budgetary expenditures are limited to $477 million.

Mr. WHITTEN. The end result we cannot get away from. You make it look pretty good on paper because assets and liabilities seem to balance out, except for the $2.25 billion. I am trying to ask you to direct your attention to what we can do to keep this type of situation from getting worse.

Mr. VOLCKER. That is the relevant question, I think.

Mr. WHITTEN. I have mentioned this lately. I have on the wall of my office two $10 bills issued in 1862 by the State of Mississippi given me by one of my colleagues. One was dated April 1, 1862, and it was secured by cotton. I understand it was worth $15 because cotton was short. The second is dated November 1, 1862, and having no cotton, it was a mere promise to pay and virtually worthless.

Are we getting ourselves in the same situation now? We are in the position where gold is not behind our money. We took silver out of our currency and enabled the Johnson administration or the people to spend $4 billion which did not show up because that was the market value of the silver. Now, about all we have left behind our money is our country—the real estate, and the physical assets we have.

This is the second devaluation, which means that assets you talk about, whatever we have that is real, comes out to a higher figure in cheaper and cheaper money. I agree with the indications here that we are across a barrel insofar as the Congress coming through with this appropriation is concerned. Apparently we have to do it. But it will show up as an increased deficit which probably means increased national debt certainly at least on the books and the end result is bad.

I am more interested at this point in what can we do to keep the present situation from getting worse and worse and worse. Is it increased production? I will end with this, Mr. Chairman, much as I would like to go ahead.

In World War II, we went all out and urged the American farmer to increase the agricultural production. I deal pretty closely with that. We turned the whole production plant in food loose, then our Government—and part of this appears in today's Congressional Record, September 13, 1973, and the remainder appears in volume 9 of our hearings this year in the subcommittee I have the honor to head—after we got American agriculture to build up the production plant, to greatly increase production our Government, notwithstanding the fact that the law called for sale in world trade in competitive prices, held our production off world markets, thus holding an umbrella for our competitors to get rich abroad, many of them Americans with foreign operations.

It frightens me that once again we are calling on agriculture to produce without any future assurance to get these cheap dollars back. I recognize the need. I am for it but I am afraid that the Government might in the future do as they did in 1952, 1953, 1954, 1955, and 1956—hold our commodities and count them to reduce domestic acreage and production. As shown in volume 9 of our hearings, 55,000 farm families were put out of business by this faulty policy of our Government. You can see this in yesterday's Congressional Record, September 13, 1973.

Back to the present, whatever our problems, however great the necessity, when we make this $2.25 billion appropriation we will be admitting we are that much worse off at the moment.

Mr. VOLCKER. You referred to some of these assets in effect being paper dollars. I commented that in some sense the liabilities are paper dollars. So we have a balancing of paper on both sides. Some will result in a real budgetary outflow. Your basic question is what we can do. I think that is a very relevant question.

WHAT MUST BE DONE TO SOLVE THIS PROBLEM

Mr. WHITTEN. What must we do, I should ask.

Mr. VOLCKER. I think what we have got to do, and the only answer in the end, is a better job at home, particularly on inflation and productivity. If we have domestic inflation running at the rate it has been running the dollar will be in trouble. That is the sign of the dollar in trouble. All of the rest of this is just a reflection of that basic difficulty.

Mr. WHITTEN. I agree with you but I would like for you to break the words you used down into their meaning. You talked about runaway inflation at home. I agree with you. But what is runaway inflation to you, for certainly this appropriation, without offsetting collections, could be inflationary.

Mr. VOLCKER. I simply mean that prices are generally rising and by far too much.

Mr. WHITTEN. In terms of our money, which gets cheaper and cheaper in our eyes and in the eyes of the other nations of the world.

Mr. VOLCKER. In terms of our money.

Mr. WHITTEN. Is that an increase in the value of what we have or is it a decrease in the value of our money?

Mr. VOLCKER. It is a decrease in the value of our money.

Mr. WHITTEN. The money gets cheaper and cheaper.

Mr. VOLCKER. That is right. That is the heart of the difficulty at home. These other things are in effect in large part—although not entirely—symptoms. The main thrust of any answer to your question, I think, has to deal with this depreciation of the dollar at home. The depreciation of the dollar abroad is only a reflection of the depreciation at home.

Mr. WHITTEN. How long do you think we can follow this course before our money gets like the $10 bill I mentioned in the State of Mississippi?

Mr. VOLCKER. I don't like it and we have to stop it. When you look at it internationally I am forced to add other countries are not doing much better than we are and a lot are not doing as well. When you look at this in terms of our competitive position internationally we only see the consequences when we are doing relatively poorly.

Mr. WHITTEN. Now let us get to our own national policy. The two countries that you mentioned that hold all these surplus dollars are Germany and Japan.

Mr. VOLCKER. That is right—these two countries are the biggest dollar holders.

Mr. WHITTEN. These are the two countries that we refused to let spend money on their own defense but we took care of their defense, leaving them free to earn our dollars and put their money into developing their economy. Shouldn't that make us take a second look as to whether we can continue this type of process, particularly when, as I understand it, Japan won't let people travel out of Japan with Japanese yen? They make them take dollars in order to get rid of them.

That is what I am advised. When the Japanese travel today they are required to take American dollars to get rid of them. They won't let them take yen.

The German mark, as I understand, has been very, very stable, but the Germans too are looking for places to buy. Now, is it good or bad for this money that we have sent abroad defending these two particular countries so they would not have to defend themselves to come over here and open up a plant or buy an existing plant? Japan has bought into Hawaii to the greatest extent possible I am told. In my own State they have bought in three or four businesses that I have heard about. In most cases they do not argue about the price. The value that they put on our dollar is so low that they will pay most any price if you take American dollars in payment and as long as they can get something that they can put their hands on. Is that an indication of how bad a situation we are in, or can you come up and show us some assets to offset the liabilities as you do in your prepared statement? I don't agree with you that such a designation makes them assets. I think it is a reflection in cheaper dollars of what we already have.

Mr. VOLCKER. Indeed in large part that is what it is, but so are the liabilities.

Mr. WHITTEN. You have to put it under some head and you put it under assets.

Mr. VOLCKER. Don't give full weight to the liabilities and no weight to the assets. The liabilities are partly of the same nature.

VALUE OF FOREIGN INVESTMENTS IN UNITED STATES

Mr. WHITTEN. I am prone to ask another question before I get the answer to the last one. The last question was is it good or bad for these countries that we have defended, spending our money, to be over here getting real estate for our IOUs. Isn't that bad, at least for us to be in such a situation?

Mr. VOLCKER. Let me say I welcome their investments coming into the United States. I think it will do us some good. I welcome the Volvo plant and I welcome this indication of foreign interest in producing here and creating jobs for our workers and creating potential exports and substituting for imports. I think that is a good thing. The United States has been doing a great deal of investing around the world for 20 years. I think that has been of great benefit, frankly, to the countries in which we have invested. I am glad to see some of this investment from abroad coming back here.

Mr. WHITTEN. I am glad to have your views because I am trying to seek light in this and not trying to condemn. However, I would insist that we were a whole lot better off when we had money to invest over there than we are when we have to give up real estate to get our own money back.

Mr. VOLCKER. We are not giving it to them. We are selling it.

Mr. WHITTEN. We are selling to get our own money. If I sell my car to get my own note back from you I may be better off because you do not have my note but I haven't added to the sum total of productive capacity.

Mr. VOLCKER. They got all those dollars in the first place because the Americans bought so many Toyotas and Datsuns and they liked that, too.

Mr. WHITTEN. You are overlooking foreign aid and national defense. We defended these countries. It is significant to me that the two that hold the billions of dollars are the two that we would not let defend themselves but the countries that we provided the money for armed services to defend them. It is very significant that those are the two that ar way out front and not the others.

Mr. VOLCKER. I think you have a fair point, that these two countries that were devastated during the war have had two advantages from defeat, so to speak. They have built a very modern efficient industrial plant, and they have not had a heavy defense burden. Those have proved to be great advantages to them in the postwar period.

Mr. WHITTEN. Thank you, Mr. Chairman. I appreciate your courtesy. There is much more I would like to go into but due to lack of time cannot at this time. I would say I am cochairman of the Joint Committee of 32 which is trying to regain congressional control of the budget.

Mr. MAHON. I wish you would expand your answer to the questions which Mr. Whitten has propounded here to a greater extent than you have.

Mr. WHITTEN. May I in turn follow up with further questions after he submits them in case it is required, Mr. Chairman?

DOLLAR OVERHANG

Mr. MAHON. Very well. What does "overhang" mean when you relate it to our international monetary situation?

Mr. VOLCKER. What people generally have in mind when they refer to the overhang are those dollars you were mentioning earlier. These dollars are held by foreign governments which generally have some sense in their minds of being the dollars that they hold in excess of what they would normally like to hold, or what they would happily hold. In other words, there is some connotation that these dollars are available for sale.

Mr. MAHON. In other words, it is unwholesome for this $90 billion overhang to exist.

FOREIGN AID APPROPRIATION

Mr. PASSMAN. Mr. Chairman, I shall move expeditiously. First, I want to extend an invitation to the Secretary, if he would accept an invitation, to appear before the Foreign Operations Subcommittee on Appropriations at a later date, so we may be able to go into this matter further.

I would like to make a record, if I may, with statistics. The facts are this is a foreign aid or assistance program we are considering, is it not?

Mr. VOLCKER. No, sir, I do not think that is a fair statement.

Mr. PASSMAN. Let me put it this way: The Inter-American Development Bank, the Asian Development Bank and the International Development Association are in effect agencies that are making loans or contributions entirely to foreign nations, is that not correct?

Mr. VOLCKER. Those particular agencies, yes, but that only affects a part of this.

Mr. PASSMAN. As it applies to these particular agencies I mentioned, it is a foreign aid program.

Mr. VOLCKER. To the extent it applies to those agencies.

Mr. PASSMAN. In other words, we are donors but not a recipient. We are not eligible to borrow money from either one of the organizations I mentioned, is that correct?

Mr. VOLCKER. That is correct.

PUBLIC DEBT

Mr. PASSMAN. If we go back to the beginning of foreign aid in Mr. Truman's administration, we had a public debt of $159 billion. If we look at the public debt as it stands now, it is $460 billion. If you subtract from that the $159 billion public debt we owed when we started foreign aid, we find that we have increased the public debt by $301 billion. Of that amount, foreign aid accounts for $253 billion of the total increase in the public debt. In other words, all but $48 billion represents net disbursements for foreign aid. That is when you include the interest on what we borrowed to give away and this vast sum has gone into 127 nations of the world. What effect has this had on the balance of payments, the loss of gold, and the depreciation of the dollar?

Mr. VOLCKER. Well, the figure you used for foreign aid is a considerably higher one than I am familiar with.

Mr. PASSMAN. It is $253,171 million.

FORTY-PERCENT CONTRIBUTION TO INTERNATIONAL DEVELOPMENT CORPORATION

Mr. PASSMAN. I believe under the International Development Association under the present contract we contribute 40 percent of the fund presently. The closest contributor to that is the United Kingdom, with about 12 percent; is that not true?

Mr. VOLCKER. Yes, sir.

Mr. PASSMAN. In this instance, it would appear under the International Development Association that the next donor also becomes the recipient because 55 percent of all the expenditures out of IDA goes to two of the United Kingdom's former possessions where they have very strong and profitable trade contracts; is that not true?

Mr. VOLCKER. Yes.

Mr. PASSMAN. So it simply means that instead of them actually making a 12-percent contribution, they are actually making no contribution because they immediately drain off more than their contribution by these very profitable trade contracts with India and Pakistan.

Mr. VOLCKER. They don't get anything like 55 percent of the business. India and Pakistan get 55 percent of the money, but that doesn't mean the British get 55 percent of the business.

Mr. PASSMAN. They are former U.K. possessions where they have strong, profitable, and voluminous trade agreements, isn't that true?

Mr. VOLCKER. Not as many as they used to have. They have been declining.

Mr. PASSMAN. In substance it is a statement of fact, is it not?

Mr. VOLCKER. I think that the United Kingdom has a little closer relationship than some other countries, but it no longer has particularly close relationships with those countries. It is a matter of degree.

Mr. PASSMAN. I believe both Pakistan and India are members of the International Development Association, is that correct?

Mr. VOLCKER. Yes.

Mr. PASSMAN. I believe for India, for each dollar they put in they draw out $44 and for each dollar Pakistan puts in they draw out $52. I am using statistics given to us by witnesses appearing before our committee.

Now, may I ask you this question: The maintenance of value payments have been brought about by the devaluation of the dollar, is that correct?

Mr. VOLCKER. Yes.

Mr. PASSMAN. Under the present contract, even though some of these disbursements were made, we will say 20 years ago, under this system of devaluation, we have to turn around and replace the losses all the way back to the beginning, in effect, isn't that true?

Mr. VOLCKER. In some cases.

Mr. PASSMAN. If we should continue to devalue our dollar for the next 20, 30, or 40 years, as long as this present contract is in effect, we will have to appropriate money to bring those prior donated dollars up to the same purchasing power in effect as when we gave them to these organizations, is that correct, sir?

Mr. VOLCKER. This depends upon the particular organization. That is not true of IDA. Once the money is disbursed, we have no maintenance of value obligation.

REQUEST FOR MOV ON UNAPPROPRIATED FUNDS

Mr. PASSMAN. Nevertheless, you are asking for a very substantial amount of money for this program, for sums that have never been appropriated by the Congress. That is why some of us have a right to be a little suspicious of the kind of bookkeeping system you people are running.

I believe this year in your request for $2,250 million, you are asking for maintenance of value payments on dollars that have never been appropriated by the Congress.

Mr. VOLCKER. It will never be spent unless that money is appropriated by Congress.

Mr. PASSMAN. That is not the question at all. We have not yet appropriated funds for these international organizations applicable to fiscal 1974, correct?

Mr. VOLCKER. That is correct.

Mr. PASSMAN. Nevertheless, you are asking for a very substantial amount of money to apply to those dollars yet to be approved and appropriated by the Congress?

Mr. VOLCKER. That is right.

Mr. PASSMAN. What kind of bookkeeping is that? Why didn't you make your request in the beginning for the amount of money you needed?

Mr. VOLCKER. We felt this was the most open and direct way we could do it. While you are discussing devaluation, we wanted to point up the total bill involved.

Mr. PASSMAN. Hadn't the devaluation been made before the budget requests for these international organizations were submitted?

Mr. VOLCKER. We devalued February 12.

Mr. PASSMAN. These bills are still before the Congress. You knew at the time what your requirement would be for fiscal year 1974, did you not?

Mr. VOLCKER. Yes, but——

Mr. PASSMAN. Then why didn't you submit to the Congress your needs rather than to cut it into two pieces? This is why I am very suspicious of some of your bookkeeping.

In fiscal 1974, you asked for $693 million, if I remember correctly, for the Inter-American Development Bank.

Mr. VOLCKER. For both the ordinary capital and the Fund for Special Operations.

Mr. PASSMAN. At the same time, you are asking for $510 million for maintenance of value payments for fiscal 1974. Is that correct?

Mr. VOLCKER. It is $510 million for maintenance of value for the callable capital, the paid-in capital and the fund for special operations.

Mr. PASSMAN. You are now asking for $510 million in maintenance of value payments' appropriations for the Inter-American Development Bank?

Mr. VOLCKER. Including the callable capital.

Mr. PASSMAN. How much of that is to apply to your 1974 request that hasn't even been passed by the Congress yet?

Mr. VOLCKER. It would be approximately $23 million relating to the appropriation on which you have not yet acted.

Mr. PASSMAN. Will you be able to come before the committee if we give you notice?

Mr. VOLCKER. I am in the hands of the committee in general, Mr. Chairman.

Mr. PASSMAN. We might want to extend you an invitation. Will you accept?

Mr. VOLCKER. Yes. If the committee asks me to appear, I will appear.

Mr. PASSMAN. I will extend the invitation and defer my questions at this time.

Mr. MAHON. We will probably act on this bill before the Secretary returns from Nairobi. You will want to ask further questions later.

The question is, shall we provide the appropriation? We are committed by legislation to provide it regardless of what brought this about. The question is, do we have to provide the $2.2 billion-plus. That is the real question before the committee.

While these are only excerpts from the hearings you can readily see why I believed we should limit our action to the amounts that we could spend $477 million according to the testimony and delay further appropriations until adjustments are made on the present financial condition of the various participating countries.

Truly "we must reverse our course."

Mr. CEDERBERG. Mr. Chairman, I yield to the gentleman from Texas (Mr. PRICE) such time as he may consume.

Mr. PRICE of Texas. Mr. Speaker, we are all aware that the value of the dollar in international transactions is determined by its relationships to the curren-

cies of other nations and that the devaluation of the dollar earlier this year lowered its purchasing power with other nations. We are also aware that even though the move was basically a formality, the majority of the Congress agreed and it became a matter of public law September 21, that a new par value be established for the dollar. It seems clear to me that one of the basic reasons for the devaluation of the dollar was to achieve balance in our trade and payments position; yet today we are advocating a raise from last year's figure of $1.6 billion to $2,203,000,000 for our fiscal year's 1974 contribution to the World Bank and the other three international development lending institutions.

I cannot support this legislation since we are going to lose all benefit of revaluation in international trade if we now increase our dollar amounts in all our international dealings. Much of our domestic economic problems stem from our international trade difficulties. I do not believe we should take action now which would tend to negotiate any international trade advantages which we so sorely need, and which have resulted from the devaluation.

At a time when our Nation is suffering from a serious balance-of-payments deficit and accumulated debt to foreign nations, I find it unconscionable to allow payments to international development lending institutions to increase. Is the Congress of the United States going to advocate extracting more tax dollars from the American citizens in order to increase U.S. payments in international affairs? At the same time the Congress appears to be advocating just such an action, our State Department is agreeing to the cancellation of a debt of $2 billion worth of rupees owed to the United States by India, not to mention the billions of dollars owed to us by various other nations which we have not and perhaps never will collect.

I do not now nor have I ever supported the contribution of large sums of U.S. money to international financial institutions. In light of our Nation's present economic condition, I cannot agree to pouring even more U.S. dollars into the international market. I urge my colleagues to vote against this attempt to increase the U.S. payment.

Mr. SHRIVER. Mr. Chairman, I rise in support of the joint resolution now before you. This is an appropriation of $2,203 million. It is a large sum of money and it is important that the House have a complete explanation of the reason for it. This is not easy to do because maintenance of value of our contributions to international financial institutions is an extremely complex subject that involves a great many intricate financial concepts. We have had testimony before the full Appropriations Committee from the Nation's foremost expert on international monetary problems, Under Secretary of the Treasury Paul A. Volcker. His testimony brought out the financial features of this legislation. He demonstrated to my satisfaction and to the satisfaction of the full committee the great importance of passing this appropriation.

There are four vital elements to the need for this bill:

First. The appropriation derives as a legal obligation resulting from the devaluation of our dollar. This was a necessary but regrettable step. It was necessary in order to bring our economy into a more competitive position with other major industrial countries. It was intended to allow the products of our farms and factories to compete more effectively in international markets. We are already seeing the beneficial results of this action—last year's trade deficit of almost $7 billion has been almost eliminated this year and by next year we expect a surplus.

Second. The devaluation not only increases liabilities but it also increases our assets. I would like to direct the House's attention to the committee report which makes it clear that there is a rough offset between assets and liabilities. In fact, the increase in our gold stock of over $1 billion is substantially larger than the increase in the expenditure liabilities of $477 million.

Third. This brings me to my third point. Most of you here today will not be interested in the financial intricacies. You are interested in how much this is going to cost the Government. I can tell you that the budgetary expenditures of this $2 billion appropriation are expected to amount to no more than $477 million. This is still a very large sum but even this amount will be expended over a long period of time—approximately 10 years—with only $12 million to be expended in fiscal year 1974.

Fourth. I have mentioned that this is an international legal obligation. Yet I would be reluctant to recommend this appropriation to you as strongly as I do here today if other countries had not met the same kind of obligation in situations where they had devalued their currencies. However, in every case over the many years of existence of these institutions, all countries have fulfilled their maintenance of value obligations. In fact, other countries have made over $10 billion of maintenance of value payments to these institutions. The United States can now do no less than meet its obligations.

These four important points have convinced me of the vital importance of this bill. I urge you to join me in giving this bill your support.

Mr. RARICK. Mr. Chairman, I was not at the international financial party at Nairobi, nor did I vote to debase our people's currency and authorize this boondoggle before.

I find it most interesting that we are here today to discuss funding of a legislative proposal which must out of necessity include the level of funding, and yet we are told that we have no alternative but to accept the committee's report at its level of spending. The rationale behind this reasoning seems based upon the assumption that we have made certain international commitments which must be honored regardless of any commitments or responsibility to the American people or the American taxpayer.

I feel that it might even be safe to say at this point that many Members would not have voted for the original authorization bill if they had realized that in addition to gutting 10 cents out of every American's dollar, they would also have to approve another $2.2 billion that we do not have to reward the international bankers who manipulated the devaluation in the first place.

There most certainly is an alternative to this taxpayer clipping measure. A Member can certainly cast his vote against the entire bill. If we had no alternative, then why is the matter even being debated and why is it necessary to have a vote? I hope that we are not international rubberstampers yet.

As far as concern over international banking commitments and saving face with a bunch of international bankers and foreign politicians, I can only say that I could not care less. My prime concern is that we start saving face with the American people, who must by now have realized that something is wrong with their money. It is not just that prices are going up, but rather that the buying power of their dollar is going down.

I am far more interested in what the American people think of us, rather than allow a bunch of international spendthrifts to think that they can continue to gouge us to fund their playhouses.

I was against this legislation when it originated, and all the talk today has done is convince me that I was correct. There is no way in the world that I could ever be persuaded to cast my people's vote for this inflationary, money debasing, international, Socialist scheme.

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

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

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.J. RES. 748

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1974, namely:

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

Mr. Chairman, we are now in no better position to take a determined step forward in our responsible conduct of foreign relations. The overall outlay we are proposing is put at $477 million, that amount to be paid out over an estimated 12-year span. The budgetary impact for this coming year will be approximately $12 million. This, I think, is a small price to pay when one considers the overwhelming good it will have on people's lives throughout the disadvantaged portions of the globe.

I urge my colleagues to join me in the swift passage of this resolution so that America may be able to maintain its fair share of the development programs funded through these multilateral development banks.

Congress passed a devaluation of the

dollar—they had an opportunity to vote it down but they saw fit to pass it. All we are asking here is that the United States not welsh on their commitments. You cannot on the one hand devaluate the dollar and on the other hand make up the shortfall caused by this devaluation. As one who has been actively involved in the seeking of adequate funding for this Nation's foreign aid program I must lend my full support behind the intent of this par value modification appropriation resolution.

We are dealing here with a legal commitment, an authorization signed by the President not more than 2 weeks ago which instructs the Secretary of the Treasury to maintain the value of the U.S. dollar now being held in multilateral development banks. The crucial importance of the function that these institutions perform was spelled out graphically in a recent news editorial, and I quote:

They have become essential to the process of transferring capital and technology to the countries least able to generate these resources on their own. Adequate participation in the work of these banks has become, in turn, essential to the world standing of the United States. This has very little to do with the old and simplistic cold war notion of winning friends and influencing people abroad. It has a great deal to do with creating the mutual confidence in international relations which is required in a time of détente.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

SPECIAL PAYMENTS TO INTERNATIONAL FINANCIAL INSTITUTIONS

For payments by the Secretary of the Treasury to maintain the value in terms of gold of the holdings of United States dollars of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank, to the extent provided in the articles of agreement of such institutions, as authorized by Section 3 of the Par Value Modification Act, (Public Law 92–268 as amended), such amounts as may be necessary (but not to exceed $2,250,000,000), to remain available until expended.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, lines 14 and 15, strike "$2,250,000,000" and insert "$2,203,000,000".

AMENDMENT OFFERED BY MR. FLYNT TO THE COMMITTEE AMENDMENT

Mr. FLYNT. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FLYNT to the committee amendment. Page 2, line 15, strike out "$2,203,000,000" and insert "$477,000,000".

Mr. FLYNT. Mr. Chairman, I have no illusions that this amendment will fare much better in the House than it did in the Appropriations Committee. I offer this amendment in my own behalf and in behalf of those of us who in the committee voted to reduce this $2,203,000,000 appropriation, which is new obligational authority on the Treasury of the United States just as any other appropriation is. We feel that $447,000,000 is the total new obligational authority which should be created at this time. This figure represents the highest amount that the testimony shows can be called for, not only during this fiscal year, but between now and 1986.

The testimony before the Appropriations Committee said that not more than $477,000,000 would be called by any or all of these international financial institutions.

If that is the case, Mr. Chairman, it occurs to me the amount of $477 million should be the amount included in House Joint Resolution 748. If necessary to maintain the good faith and credit of the United States when demands in excess of $477 million are made by these international monetary institutions, let the Secretary of the Treasury come before us at that time and request that we make more money available.

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

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

Mr. LONG of Maryland. Is there any doubt in the gentleman's mind that if they come back with a request for supplemental funds and can show they are needed the Appropriations Committee would appropriate the money?

Mr. FLYNT. If the $477 million is used up and the Secretary of the Treasury comes back and says, "Mr. Chairman, we need more money to be appropriated, to be made available to these international monetary institutions," I have every reason to believe the Committee on Appropriations and the Congress would be as generous as the situation demanded.

If they ask for $12 million, I do not believe it is necessary for us to create new obligational authority of $2,203 million. For the fiscal year the testimony is that only $12 million will be required; and the testimony is further that between now and 1986 the maximum drawdown on this new obligational authority would be $477 million.

Therefore, I believe the House in its wisdom would be following the course of prudence and certainly the course of financial responsibility to appropriate the amount of $477 million, with the understanding that if they need more they can come back and the House will probably exercise its usual generosity in appropriating what is needed.

Mr. LONG of Maryland. As pointed out by the chairman, only $12 million, or one-half of 1 percent of this, would go into the national debt, because that is all that would be paid out this year.

Is it not true that if we pass this we are giving the five international institutions the power, any time they want to, to increase our national debt by over $2 billion?

Mr. FLYNT. Absolutely. The passage of this resolution and its final enactment, after passage by the Senate and signature by the President, would give to the international monetary institutions listed in the measure the authority to increase the national debt of this country by over $2 billion, by $2,203 million to be exact.

Frankly, I feel that responsibility should be the responsibility of the Congress and not of one or more of these international monetary institutions.

Mr. LONG of Maryland. Does the gentleman have any question that the Congress and the Committee on Appropriations will be meeting again sometime between now and 1986 and could pass on a supplemental request?

Mr. FLYNT. We shall meet at least three times, certainly more than that but at least three times between now and sine de adjournment of this session; and, further, that we will probably meet no less than 100 times between now and 1986.

In this connection, Mr. Chairman, the argument is made that the money will not be used. One could make the same argument, Mr. Chairman, on every appropriation bill the House passes. An appropriation bill does not create expenditures. It only creates new obligational authority. This is true of every appropriations bill.

I do not know that I will be around when 1986 comes, but I predict that the total drawdown on this new obligational authority of $2,203 million will be nearer the total amount of $2,203 million than the $477 million which the proponents of the measure say is all that would be required.

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

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

Mr. FLYNT. Mr. Chairman, that argument for full funding could be made on every single appropriation bill the House passes, but we all know that most departments and agencies come back for more supplemental and additional appropriations than they return to the Treasury.

Mr. Chairman, I believe that this might be the very case with this money that is being appropriated here today. I think it is time that somebody began to pay a little attention to the well-being of the American taxpayer instead of these or any other international monetary institutions.

I urge the adoption of my admendment.

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

Mr. Chairman, I will admit that this legislation is a bit confusing.

The four multilateral organizations involved are the Inter-American Development Bank, the Asian Development Bank, the International Development Association, and the World Bank. I want to make it abundantly clear that the most money, in all probability, that will ever be expended against this $2,203,000,000 will be the $477 million in paid-in capital.

The other part of the appropriation falls in a guarantee category. Let us discuss briefly the question of this dormant

reserve. During the period that these callable capital funds have been in existence, there has never been a dime withdrawn from this category, and in all probability there never will be. But by having this dormant reserve or callable capital, the multilateral organizations can go out in the private sector and borrow money.

Now, I might say that in the past, there have been over 200 similar devaluations involving 60 countries where they have, in every case, fulfilled their maintenance of value obligations. The amount involved has exceeded $10 billion.

Mr. Chairman, this obligation was authorized by authorizing legislation which passed the House on May 29, 1973, by a vote of 281 to 36. The authorization directed the Secretary of the Treasury to maintain the value of the holding of U.S. dollars in these institutions.

Now, I wish to repeat that there has never been a dime withdrawn from this dormant reserve, callable capital, and I doubt if there ever will be. But by having this reserve, we enable these multilateral organizations to go out and sell bonds in the private sector. If they default, and only then, will the United States be called upon to put up a portion of this money needed to cover the default, and then not all of it.

We are completely obligated by the vote of this House in May, and I do not think we have any alternative other than to approve this legislation, unless we are going to violate our contract. I am wondering what the other nations would think if we were to say that we are going to renege on the agreements we entered into in the past.

I certainly hope that the Members understand that every year we are appropriating new money for the multilateral organizations. That is where we should make reductions. We should cut the appropriation requests. But after we make the appropriation, we turn it over to the multilateral organizations, and then we subsequently devalue the dollar. In that case, we have no alternative other than to make our word good and fulfill our obligation.

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

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

Mr. WHITTEN. Mr. Chairman, I understood the gentleman to say that where we should cut is when the appropriation is before us, because if we go ahead and make it then, we cannot do it.

Is that not an argument that we should not make this appropriation now?

Mr. PASSMAN. No; Mr. Chairman, I am talking about the appropriation request originally when we first fund the multilateral organization. Every dollar that we cut down on the original requests would simply mean that we have to appropriate less in case of a later devaluation.

However, we have already made the appropriations.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

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

Mr. EVINS of Tennessee. Mr. Chairman, as you know, the Smithsonian monetary conference was hailed, at the time, as one of the great monetary moments in history but after the subsequent devaluation, the plan collapsed and it was apparently necessary to have a second dollar devaluation. Very little progress has been made toward strengthening and retaining the value of the dollar in our international monetary agreements. I cannot be a party to further erosion of the dollar. Mr. Chairman, does the gentleman agree that this monetary reform is, as Secretary Connally declared, "the world's greatest monetary reform" to pick up a tab of $2½ billion for the world and create a monetary fund?

Mr. PASSMAN. Well, of course, this is Mr. Connally's label. I cannot talk to the correctness of it.

Will the Members please take into account the fact that we have entered into agreements already and have directed the Secretary of the Treasury to maintain the value of the U.S. dollar holdings in these institutions.

Now, keep in mind that 60 nations have devalued their currencies and, in every case, their maintenance of value obligations have been fulfilled.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. MILFORD. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. MILFORD. I thank the gentleman for yielding.

The gentleman's argument makes good sense. I have one question concerning it. Is the money we are appropriating for the bond guarantee, so to speak?

Mr. PASSMAN. Yes.

Mr. MILFORD. I am wondering what percentage of the guarantees the United States is making as compared to these other 49 nations.

Mr. PASSMAN. So far as the other nations are concerned, and I think it would be about right, we make about one-third of the contribution to the multilateral accounts. Some of the other nations may make a contribution of 2 or 3 percent. They are only obligated to the percentage of their original commitment.

Mr. MILFORD. In view of the differences in money valuation, I am wondering if the other countries—France, Germany—can come up with a greater guarantee and, if we deny this appropriation, would that not encourage them to come up with a greater percentage of the guarantee?

Mr. PASSMAN. These percentages have been fixed in years past. Let us take, for instance, the International Development Association.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. PASSMAN. We make a 40-percent contribution to IDA. The United Kingdom makes about 12 percent and France about 6 percent. So they reached this formula years ago.

Now, we devalued our dollars, so we must appropriate funds so that the purchasing power of the dollar will be maintained as provided in those agreements.

Mr. MILFORD. Will the gentleman yield further?

Mr. PASSMAN. I yield.

Mr. MILFORD. That is exactly my point. Twenty years ago there was a vast difference between the United States, France, Germany, and Japan. I am wondering if we do not need to take another look at who should guarantee how much in these international organizations.

Mr. PASSMAN. I certainly agree with the gentleman. I might say our delegation has just returned from a meeting out in Kenya, a meeting which, among other things, included discussions on the International Development Association. We have been putting up 40 percent of the contributions heretofore, and because the other nations are more prosperous we have discussed the reduction of our contribution down to one-third. That does not mean they will get what they asked for in appropriations, but the formula has been reworked.

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

Mr. Chairman, I think members of the committee ought to know this amendment was debated very thoroughly in the full Committee on Appropriations.

We are dealing here with a very complicated subject, and I would suggest all Members read the report, if they have not, and also the hearings.

When the vote was taken in the full committee, I believe there were 10 members who were in favor of this amendment, and 38 opposed which is a clear indication, as I see it, that we believe it is important that we live up to the law that we agreed to.

Now, let me tell you what we have done.

Devaluation is a good thing for the United States. It was very helpful to the balance of payments. It has made the possibility of exports greater than it has ever been before. Look at the record of the balance of payments since those actions have taken place and compare them with what has happened before.

Public Law 92–268 authorizes and directs that the Secretary maintain the value in terms of gold of the holdings of U.S. dollars in the International Monetary Fund and the international development lending institutions, namely, the International Bank for Reconstruction and Development, the World Bank, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank, all we are doing is living up to the agreements we made when we voted to devalue. We are doing nothing more than all the other countries who are members of these organizations have done this time and have done many, many more times, and we have to live up to our agreements.

At this point I would like to cite a section of our report, and several of our maintenance of value agreements:

The Par Value Modification Act, as amended by Public Law 93–110 of September 21, 1973, provides basic authority for the appropriation contained in the accompanying res-

olution. It reads in pertinent part as follows:

"SEC. 2. The Secretary of the Treasury is hereby authorized to take the steps necessary to establish a new par value of the dollar of $1 equals 0.828948 Special Drawing Rights, or the equivalent in terms of gold of forty-two and two-ninths dollars per fine troy ounce of gold. When established, such par value shall be the legal standard for defining the relationship of the dollar to gold for the purpose of issuing gold certificates pursuant to section 14(c) of the Gold Reserve Act of 1934 (31 U.S.C. 405b).

"SEC. 3. The Secretary of the Treasury is authorized and directed to maintain the value in terms of gold of the holdings of United States dollars of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank to the extent provided in the articles of agreement of such institutions. There is hereby authorized to be appropriated, to remain available until expended, such amounts as may be necessary to provide for such maintenance of value.

"SEC. 4. The increase in the value of the gold held by the United States (including the gold held as security for gold certificates) resulting from the change in the par value of the dollar authorized by section 2 of this Act shall be covered into the Treasury as a miscellaneous receipt."

MAINTENANCE OF VALUE REQUIREMENTS CONTAINED IN ARTICLES OF AGREEMENT FOR VARIOUS INTERNATIONAL FINANCIAL INSTITUTIONS

INTERNATIONAL MONETARY FUND

Section 8. Maintenance of Gold Value of the Fund's Assets.

(a) The gold value of the Fund's assets shall be maintained notwithstanding changes in the par or foreign exchange value of the currency of any member.

(b) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Fund, depreciated to a significant extent within that member's territories, the member shall pay to the Fund within a reasonable time an amount of its own currency equal to the reduction in the gold value of its currency held by the Fund.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)

Section 9. Maintenance of value of certain currency holdings of the Bank.

(a) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent within that member's territories, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient to maintain the value, as of the time of initial subscription, of the amount of the currency of such member which is held by the Bank and derived from currency originally paid in to the Bank by the member under Article II, Section 7(i), from currency referred to in Article IV, Section 2(b), or from any additional currency furnished under the provisions of the present paragraph, and which has not been repurchased by the member for gold or for the currency of any member which is acceptable to the Bank.

INTER-AMERICAN DEVELOPMENT BANK

Section 3. Maintenance of Value of the Currency Holdings of the Bank.

(a) Whenever the par value in the International Monetary Fund of a member's currency is reduced or the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient to maintain the value of all the currency of the member held by the Bank in its ordinary capital resources, or in the resources of the Fund, excepting currency derived from borrowings by the Bank. The standard of value for this purpose shall be the United States dollar of the weight and fineness in effect on January 1, 1959.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Section 2. Maintenance of Value of Currency Holdings.

(a) Whenever the par value of a member's currency is reduced or the foreign exchange value of a member's currency has, in the opinion of the Association, depreciated to a significant extent within that member's territories, the member shall pay to the Association within a reasonable time an additional amount of its own currency sufficient to maintain the value, as of the time of subscription, of the amount of the currency of such member paid in to the Association by the member under Article II, Section 2(d), and currency furnished under the provisions of the present paragraph, whether or not such currency is held in the form of notes accepted pursuant to Article II, Section 2(e), provided, however, that the foregoing shall apply only so long as and to the extent that such currency shall not have been initially disbursed or exchanged for the currency of another member.

ASIAN DEVELOPMENT BANK

Article 25. Maintenance of value of the currency holdings of the Bank.

1. Whenever (a) the par value in the International Monetary Fund of the currency of a member is reduced in terms of the dollar defined in Article 4 of this Agreement, or (b) in the opinion of the Bank, after consultation with the International Monetary Fund, the foreign exchange value of a member's currency has depreciated to a significant extent, that member shall pay to the Bank within a reasonable time an additional amount of its currency required to maintain the value of all such currency held by the Bank, excepting (a) currency derived by the Bank from its borrowings, and (b) unless otherwise provided in the agreement establishing such Funds, Special Funds resources accepted by the Bank under paragraph 1 (ii).

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield further, I understood our colleague on the committee, the gentleman from Louisiana (Mr. PASSMAN) to make the statement that our representatives were just back with an agreement which changed the U.S. contribution from 40 to 33⅓ percent. If I understood the gentleman correctly, if that is the action they took on these matters that are prearranged, then does not the gentleman think that this money should be withheld, at least until this matter can be completely reviewed and our share placed at the level that is most appropriate?

Mr. CEDERBERG. It would have absolutely no impact on the requirement of the United States in making its commitment as the other nations have done.

As far as I know about what happened in Nairobi, I do not think any action was taken along this line at all. I do not know of any.

Mr. WHITTEN. I understood the gentleman from Louisiana (Mr. PASSMAN) said there was.

Mr. CEDERBERG. There may have been some discussion.

Mr. PASSMAN. If the gentleman will yield.

Heretofore our contribution had been 40 percent to the International Development Association. Now, some of the other nations are more prosperous and there was discussion of reducing our participation down to one-third for IDA. Of course, this does not mean we are going to have to put up the full amount of the money requested, we can, at the point when we mark up the bill, cut the requested amount down. But once we appropriate the money and make it available, then we are committed to maintain the value of those dollars as directed by the authorizing regulations and the articles of agreement.

Mr. CEDERBERG. The gentleman from Louisiana has stated the situation correctly. This is taking into account past actions. A reduction in the amount that the United States contributes will not be reflected in this kind of legislation, but under the appropriations, under the control of the gentleman from Louisiana.

Mr. PASSMAN. The gentleman is correct. We have no other alternative in the measure before us but to live up to our agreements and pass this legislation.

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield further, those of us who are objecting to this are not saying that we should not live up to our obligations, of course not. We are merely wondering why it is necessary to have this $2.2 billion when the requirement of what is needed now is about one-half of 1 percent.

Mr. CEDERBERG. We are directed to bring it back to the value to what it would have been if we had not devalued, just as every other nation has done. We are the only one that has not done so.

Mr. WHITTEN. But the law does not say when.

Mr. CONTE. Mr. Chairman, if the gentleman will yield, the question of the new formula adopted in Nairobi, Kenya has to do with the replenishment of the Fund. What we are dealing with here are commitments that have already been made.

Mr. CEDERBERG. That is correct.

Mr. CONTE. The gentleman mentioned, I believe, that there was a vote in the Committee on Appropriations on this measure. What was that vote?

Mr. CEDERBERG. I really do not know.

Mr. CONTE. I believe it was 38 opposed, and 10 for.

Mr. CEDERBERG. I believe that is correct.

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

Mr. Chairman, we have a relatively simple problem before us this afternoon with regard to the amendment which has been offered. This bill and this amendment should not be confused with foreign aid. This is not a foreign aid bill.

Over a period of years the Congress has authorized and approved our partici-

pation in these international financial institutions, and we have, from year to year, appropriated money to these institutions. There have been arguments as to whether or not we should have done it, as to whether we have appropriated too much, and as to whether our share has been too great and we agreed to bear too much of the burden. But that is in the past and the money has already been provided by the Congress. However our Government in our agreements—and I have copies of these agreements in my possession—with these other nations, gave our solemn word that we, along with them, would maintain the value of our currency and if we devalued our currency then we would put up additional funds to bring our contribution up to value of what it was originally. Whether it was right or wrong to make these contributions and sign these agreements is another question but at this moment we are a party to these agreements and must meet our commitments.

We will have an opportunity in the future to refuse to make further contributions. We have the authority to do that, and we may do it at a later time when we have certain legislation before us. But the point is that we are for the most part maintaining the value of the U.S. dollar on past actions of the Congress and not on what funding might be authorized in the future. It is just that simple. We passed the legislation requiring the Secretary of the Treasury to maintain the value of the dollar holdings in these institutions by an overwhelming vote. The legislation states that the Secretary of the Treasury is authorized and directed—and this has been read several times here today—to maintain the value in terms of gold of the holdings of the U.S. dollars of these various organizations.

So it is just a question of whether or not we want to maintain the good faith and honor of the U.S. Government. I do not see that we can repudiate these agreements now. We do not have to authorize funds in the future for these organizations, but we cannot repudiate what we have already agreed to in the past.

The issue is that simple.

Earlier today I quoted from a letter dated today from the Under Secretary of the Treasury for Monetary Affairs, Mr. Paul Volcker, one of the most able men in the Government. In part, the letter reads as follows:

> This obligation falls due at the time the par value of the dollar is changed. To meet this obligation, the funds requested through the appropriation process must be available in full—

The maintenance of value payment cannot be made in part, but must be made in full. I continue to read:

> This is so despite the substantial reduction in the real financial cost to the United States resulting from the fact that a very large part of the obligation—$1.7 billion—is not expected to result in expenditures, and the rest—$477 million—will only result in expenditures over a period of about ten years. However, unless the full appropriation is **available, we will not have the legal au**thority to enter into these international financial commitments that flow from devaluations.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 3 additional minutes.)

Mr. MAHON. Without exception, the other nations, both small and big, have complied with their maintenance of value agreements. Shall the great United States of America welsh on its agreements and violate its word? To me it is unthinkable.

Again let me read in part what the Under Secretary of the Treasury for Monetary Affairs said in his letter to me:

> However, unless the full appropriation is available we will not have the legal authority to enter into these international financial commitments that flow from devaluation.

So the question is not whether one is a liberal or a conservative or whether he is for saving money or not for saving money.

But the question is, Shall we live up to the solemn word of the U.S. Government as enacted into law by this Congress and provide these funds? I cannot see much room for contrary opinion. The Appropriations Committee voted down this issue 38 to 10.

I would hope that the House would vote down this amendment and maintain the legal and financial integrity of the word of our country in its relationships with the other nations of the world.

Mr. RHODES. Will the gentleman yield?

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

Mr. RHODES. Mr. Chairman, I thank my chairman for yielding.

Is it not a fact that we are not being asked to do anything which is not in accordance with the laws and treaties previously approved by the Congress, and is it not a fact also we are not being asked to do anything which other nations which have devalued their currencies have not done also?

Mr. MAHON. The gentleman is correct.

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

Mr. Chairman, we have heard a great deal about commitments and agreements in the last few minutes. It is my understanding from the gentleman from Louisiana (Mr. PASSMAN) that an agreement had been made recently in Nairobi. Is that correct?

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

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

Mr. MAHON. On the question of making future contributions to the International Development Association, our country took the position in Nairobi that we would not favor, in the future, making a contribution to IDA at the same percentage level of the total contributions pledged as we have in the past, but that does not change the past situation.

As a matter of fact, Secretary of the Treasury Shultz visited with me in the Capitol early in September with respect to the replenishment problem that would be encountered at Nairobi and on September 11 I wrote him a letter from which I now quote one paragraph:

> In my judgment our Government should approach with a great deal of caution the proposition of making commitments which in fact represent an increased drain on future financial resources at a time when we are struggling to gain an improved fiscal position and grapple with many complex economic problems.

Mr. GROSS. All right. All I wanted was confirmation of the fact that there was an agreement.

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

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

Mr. PASSMAN. Mr. Chairman, our officials made it clear that any agreement reached would be based entirely on a subsequent appropriation. I am talking about future contributions.

Mr. GROSS. I am pleased to have the confirmation of the gentleman from Louisiana.

Let me read from the hearing record of the Appropriations Committee held on September 14, which was not very long ago. This is a colloquy between the gentleman from Louisiana (Mr. PASSMAN) and Mr. Volcker, who is the Under Secretary of the Treasury for Monetary Affairs:

> Mr. PASSMAN. Do you have a specific authorization from the Banking and Currency Committee to go over there and enter into this agreement by law?
>
> Mr. VOLCKER. No.
>
> Mr. PASSMAN. Have you had any implied commitments from the members on the Committee on Appropriations for you to enter into these agreements?
>
> Mr. VOLCKER. No, and we will not make illegal commitments.
>
> Mr. PASSMAN. So then subsequently, if in our wisdom we decide to make adjustments, we have that right?
>
> Mr. VOLCKER. There is no question, whatever we say in Nairobi, we will be committed to nothing.

He is saying that we will do a lot of talking over there but we will not make any commitments.

What was the gentleman talking about?

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield, the discussions on an IDA replenishment were predicated on a subsequent appropriation by the Congress and that was the subject of that colloquy. This was only on the condition if the Congress appropriated the money.

Mr. GROSS. Let me proceed for a minute. Yes, the House voted for the par value authorization bill. I voted against it, but that is neither here nor there. We can abrogate that commitment just as well as we can abrogate any other commitment. Let me cite to the Members another commitment as an example. A commitment was made by this Government in 1947 that we would have 5 years of foreign aid at $5 billion a year, or $25 billion worth of foreign aid, and it would be out and over. That was a solemn commitment. Now, 26 years and $2ɔ3 billion later we are still putting out

foreign aid, and this is a $2.2 billion addition to it.

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

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

Mr. MAHON. As I understand it, the passage quoted from our hearings by the gentleman concerned the discussions to be held in Nairobi, and I was not there.

Mr. GROSS. Only the big game hunters went over there.

Mr. MAHON. Our delegation took the position we would demand certain reductions in our contribution in the future to the International Development Association, and the Congress certainly is not committed by anything that happened in Nairobi to do something in the future.

Mr. GROSS. Please do not try to sell me on the idea that this is not going to cost $2.2 billion, because for the first Nixon devaluation of 8 percent, Congress appropriated $1.6 billion and $1.5 billion of that amount has been spent, so do not try to tell me that this is going to be any different.

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

Mr. GROSS. Yes.

Mr. MAHON. The $1.6 billion appropriated for the first devaluation has not all been expended. Only $28 million of the $1.6 billion is estimated to be expended through fiscal year 1974. It is true, however, that over $1.5 billion of this amount has been obligated.

Mr. GROSS. The gentleman's own hearing record—I cannot put my finger on it at this moment—shows that $1.5 billion was spent on the previous devaluation with the money going to the same international lending outfits that will get this $2.2 billion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. FLYNT) to the committee amendment.

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 129, noes 237, not voting 68, as follows:

[Roll No. 499]

AYES—129

Abdnor	Clawson, Del	Fountain
Andrews, N.C.	Cochran	Frey
Andrews, N. Dak.	Collier	Froehlich
Annunzio	Collins, Ill.	Fuqua
Archer	Collins, Tex.	Gaydos
Ashbrook	Conlan	Ginn
Bafalis	Daniel, Dan	Goodling
Baker	Daniel, Robert W., Jr.	Green, Oreg.
Bauman	Daniels, Dominick V.	Gross
Beard	Davis, S.C.	Gunter
Bennett	de la Garza	Haley
Bowen	Denholm	Hammer-schmidt
Bray	Dent	Harsha
Brinkley	Devine	Hays
Brown, Ohio	Dickinson	Henderson
Burgener	Downing	Holt
Burke, Fla.	Duncan	Hosmer
Burke, Mass.	Evins, Tenn.	Huber
Burleson, Tex.	Flowers	Hudnut
Byron	Flynt	Hungate
Camp	Ford, William D.	Hunt
Carney, Ohio		Hutchinson
Clancy		Ichord
Jones, N.C.	Mizell	Steiger, Ariz.
Jones, Okla.	Montgomery	Stratton
Jones, Tenn.	Moorhead, Calif.	Stubblefield
Keating	Murphy, Ill.	Stuckey
Kemp	Nedzi	Symms
Ketchum	Price, Ill.	Taylor, Mo.
King	Price, Tex.	Thornton
Landgrebe	Randall	Towell, Nev.
Landrum	Rarick	Vander Jagt
Lehman	Rooney, Pa.	Waggonner
Litton	Roush	Wampler
Long, La.	Ryan	Whitten
Long, Md.	Satterfield	Wilson, Charles, Tex.
Lott	Saylor	Yatron
Lujan	Scherle	Young, Alaska
McSpadden	Schroeder	Young, Fla.
Madigan	Shuster	Young, S.C.
Mann	Slack	Young, Tex.
Mathis, Ga.	Snyder	Zion
Mazzoli	Spence	
Melcher	Steelman	
Miller		

NOES—237

Abzug	Goldwater	Pike
Adams	Gonzalez	Poage
Addabbo	Green, Pa.	Podell
Anderson, Calif.	Griffiths	Preyer
Ashley	Grover	Pritchard
Aspin	Gubser	Quie
Badillo	Guyer	Quillen
Barrett	Hamilton	Rees
Bell	Hanley	Regula
Bergland	Hansen, Idaho	Reid
Bevill	Harvey	Reuss
Biaggi	Hastings	Rhodes
Biester	Hawkins	Rinaldo
Bingham	Hechler, W. Va.	Roberts
Blackburn	Heckler, Mass.	Robinson, Va.
Blatnik	Heinz	Rodino
Boggs	Helstoski	Roe
Boland	Hicks	Rogers
Bolling	Hillis	Roncalio, Wyo.
Brademas	Hinshaw	Roncalio, N.Y.
Brasco	Hogan	Rostenkowski
Breckinridge	Holifield	Roy
Brooks	Holtzman	Ruppe
Broomfield	Horton	St Germain
Brotzman	Howard	Sarasin
Brown, Calif.	Jarman	Sarbanes
Brown, Mich.	Johnson, Calif.	Schneebeli
Broyhill, N.C.	Johnson, Pa.	Sebelius
Burke, Calif.	Jordan	Seiberling
Burlison, Mo.	Karth	Shipley
Burton	Kastenmeier	Shoup
Carter	Kazen	Shriver
Casey, Tex.	Koch	Sikes
Cederberg	Kuykendall	Smith, Iowa
Chamberlain	Latta	Smith, N.Y.
Chappell	McCloskey	Stanton, J. William
Chisholm	McCollister	Stanton, James V.
Clark	McCormack	Steed
Clausen, Don H.	McDade	Steele
Cleveland	McEwen	Steiger, Wis.
Cohen	McFall	Stephens
Conable	McKay	Studds
Conte	McKinney	Sullivan
Corman	Macdonald	Talcott
Coughlin	Madden	Teague, Calif.
Cronin	Mahon	Teague, Tex.
Culver	Mailliard	Thompson, N.J.
Danielson	Mallary	Thomson, Wis.
Davis, Wis.	Martin, Nebr.	Thone
Delaney	Martin, N.C.	Tiernan
Dellenback	Mathias, Calif.	Treen
Dellums	Matsunaga	Udall
Dennis	Mayne	Ullman
Donohue	Mezvinsky	Van Deerlin
Dorn	Milford	Vanik
Drinan	Minish	Veysey
Dulski	Mink	Vigorito
du Pont	Minshall, Ohio	Waldie
Eckhardt	Mitchell, Md.	Walsh
Edwards, Ala.	Mitchell, N.Y.	Ware
Edwards, Calif.	Moakley	Whalen
Eilberg	Mollohan	Whitehurst
Esch	Moorhead, Pa.	Widnall
Eshleman	Morgan	Wiggins
Evans, Colo.	Mosher	Williams
Fascell	Moss	Wilson, Charles H., Calif.
Fish	Myers	Winn
Fisher	Natcher	Wolff
Flood	Nichols	Wright
Foley	Nix	Wyatt
Ford, Gerald R.	Obey	Wydler
Forsythe	O'Hara	Wylie
Fraser	O'Neill	Wyman
Frelinghuysen	Parris	Yates
Frenzel	Passman	Young, Ga.
Gettys	Patten	Zablocki
Giaimo	Pepper	Zwach
Gibbons	Perkins	
Gilman	Pettis	
	Peyser	
	Pickle	

NOT VOTING—68

Alexander	Hanna	Railsback
Anderson, Ill.	Hanrahan	Rangel
Arends	Hansen, Wash.	Riegle
Armstrong	Harrington	Robison, N.Y.
Breaux	Hébert	Rooney, N.Y.
Broyhill, Va.	Johnson, Colo.	Rose
Buchanan	Jones, Ala.	Rosenthal
Butler	Kluczynski	Rousselot
Carey, N.Y.	Kyros	Roybal
Clay	Leggett	Runnels
Conyers	Lent	Ruth
Cotter	McClory	Sandman
Crane	Maraziti	Sisk
Davis, Ga.	Meeds	Skubitz
Derwinski	Metcalfe	Staggers
Diggs	Michel	Stark
Dingell	Mills, Ark.	Stokes
Erlenborn	Murphy, N.Y.	Symington
Findley	Nelsen	Taylor, N.C.
Fulton	O'Brien	White
Grasso	Owens	Wilson, Bob
Gray	Patman	Young, Ill.
Gude	Powell, Ohio	

So the amendment to the committee amendment was rejected.

The result of the vote was announced as above recorded.

The committee amendment was agreed to.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. BRADEMAS, chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the joint resolution (H.J. Res. 748) making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes, had directed him to report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution, and on the amendment, to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

RECORDED VOTE

Mr. DELLENBACK. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 274, noes 90, not voting 70, as follows:

[Roll No. 500]

AYES—274

Abdnor	Andrews, N. Dak.	Badillo
Abzug	Annunzio	Baker
Adams	Archer	Barrett
Addabbo	Ashley	Bell
Anderson, Calif.	Aspin	Bergland
		Bevill

Biaggi	Hanley	Preyer
Biester	Hansen, Idaho	Price, Ill.
Bingham	Harvey	Pritchard
Blackburn	Hastings	Quie
Boggs	Hawkins	Quillen
Boland	Hays	Rees
Bolling	Hechler, W. Va.	Regula
Bowen	Heckler, Mass.	Reid
Brademas	Heinz	Reuss
Brasco	Helstoski	Rhodes
Breckinridge	Hicks	Rinaldo
Brooks	Hillis	Roberts
Broomfield	Hinshaw	Robinson, Va.
Brotzman	Hogan	Rodino
Brown, Calif.	Holifield	Roe
Brown, Mich.	Holtzman	Rogers
Burke, Calif.	Horton	Roncallo, N.Y.
Burke, Fla.	Hosmer	Rooney, Pa.
Burlison, Mo.	Howard	Rostenkowski
Burton	Jarman	Roy
Carter	Johnson, Calif.	Ruppe
Casey, Tex.	Johnson, Pa.	St Germain
Cederberg	Jones, N.C.	Sandman
Chamberlain	Jones, Okla.	Sarasin
Chappell	Jordan	Sarbanes
Chisholm	Karth	Saylor
Clark	Kastenmeier	Schneebeli
Clausen, Don H.	Kazen	Sebelius
Cleveland	Keating	Seiberling
Cochran	Kemp	Shipley
Cohen	King	Shoup
Collins, Ill.	Koch	Shriver
Conable	Kuykendall	Sikes
Conte	Lehman	Sisk
Corman	Litton	Slack
Coughlin	Long, La.	Smith, Iowa
Cronin	Lott	Smith, N.Y.
Culver	McCloskey	Stanton, J. William
Daniels, Dominick V.	McCollister	Stanton, James V.
Danielson	McCormack	Steed
Davis, Wis.	McDade	Steele
Delaney	McEwen	Steelman
Dellenback	McFall	Steiger, Wis.
Dellums	McKay	Stephens
Dennis	McKinney	Stratton
Diggs	McSpadden	Stubblefield
Donohue	Macdonald	Stuckey
Dorn	Madden	Studds
Drinan	Mahon	Sullivan
Dulski	Mailliard	Talcott
Duncan	Mallary	Teague, Calif.
du Pont	Martin, Nebr.	Thompson, N.J.
Eckhardt	Martin, N.C.	Thomson, Wis.
Edwards, Ala.	Mathias, Calif.	Thone
Edwards, Calif.	Matsunaga	Thornton
Eilberg	Mayne	Tiernan
Esch	Mazzoli	Treen
Eshleman	Melcher	Udall
Evans, Colo.	Metzenbaum	Ullman
Fascell	Mezvinsky	Van Deerlin
Fish	Minish	Vander Jagt
Fisher	Mink	Vanik
Flood	Minshall, Ohio	Veysey
Foley	Mitchell, Md.	Vigorito
Ford, Gerald R.	Mitchell, N.Y.	Waldie
Ford, William D.	Moakley	Walsh
Forsythe	Mollohan	Ware
Fraser	Moorhead, Pa.	Whalen
Frelinghuysen	Morgan	Whitehurst
Frenzel	Mosher	Widnall
Frey	Moss	Wiggins
Froehlich	Murphy, Ill.	Williams
Fuqua	Natcher	Wilson, Charles H., Calif.
Gettys	Nedzi	Winn
Giaimo	Nix	Wolff
Gibbons	Obey	Wyatt
Gilman	O'Hara	Wydler
Gonzalez	O'Neill	Wylie
Green, Oreg.	Parris	Wyman
Green, Pa.	Passman	Yates
Grover	Patten	Young, Ga.
Gubser	Pepper	Young, Tex.
Gunter	Perkins	Zablocki
Guyer	Pettis	Zwach
Hamilton	Peyser	
Hammer-schmidt	Pickle	
	Pike	
	Poage	
	Podell	

NOES—90

Andrews, N.C.	Carney, Ohio	Dickinson
Ashbrook	Clancy	Downing
Bafalis	Clawson, Del	Evins, Tenn.
Bauman	Collier	Flowers
Beard	Collins, Tex.	Flynt
Bennett	Conlan	Fountain
Bray	Daniel, Dan	Gaydos
Brinkley	Daniel, Robert W., Jr.	Ginn
Brown, Ohio	Davis, S.C.	Goldwater
Broyhill, N.C.	de la Garza	Goodling
Burgener	Denholm	Gross
Burleson, Tex.	Dent	Haley
Byron	Devine	Harsha
Camp		Henderson
Holt	Milford	Schroeder
Huber	Miller	Shuster
Hudnut	Mizell	Snyder
Hungate	Montgomery	Spence
Hunt	Moorhead, Calif.	Steiger, Ariz.
Hutchinson	Myers	Symms
Ichord	Nichols	Taylor, Mo.
Jones, Tenn.	Price, Tex.	Towell, Nev.
Ketchum	Randall	Waggonner
Landgrebe	Rarick	Whitten
Landrum	Riegle	Wilson, Charles, Tex.
Latta	Roncallo, Wyo.	Yatron
Long, Md.	Roush	Young, Alaska
Lujan	Ryan	Young, Fla.
Madigan	Satterfield	Young, S.C.
Mann	Scherle	Zion
Mathis, Ga.		

NOT VOTING—70

Alexander	Gude	Railsback
Anderson, Ill.	Hanna	Rangel
Arends	Hanrahan	Robison, N.Y.
Armstrong	Hansen, Wash.	Rooney, N.Y.
Blatnik	Harrington	Rose
Breaux	Hébert	Rosenthal
Broyhill, Va.	Johnson, Colo.	Rousselot
Buchanan	Jones, Ala.	Roybal
Burke, Mass.	Kluczynski	Runnels
Butler	Kyros	Ruth
Carey, N.Y.	Leggett	Skubitz
Clay	Lent	Staggers
Conyers	McClory	Stark
Cotter	Maraziti	Stokes
Crane	Meeds	Symington
Davis, Ga.	Metcalfe	Taylor, N.C.
Derwinski	Michel	Teague, Tex.
Dingell	Mills, Ark.	Wampler
Erlenborn	Murphy, N.Y.	White
Findley	Nelsen	Wilson, Bob
Fulton	O'Brien	Wright
Grasso	Owens	Young, Ill.
Gray	Patman	
Griffiths	Powell, Ohio	

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Robison of New York for, with Mr. Crane against.

Mr. Burke of Massachusetts for, with Mr. Taylor of North Carolina against.

Mr. Railsback for, with Mr. Rousselot against.

Mr. Gray for, with Mr. Hébert against.

Until further notice:

Mr. Staggers with Mr. Arends.

Mr. Teague of Texas with Mr. Buchanan.

Mr. Carey of New York with Mr. Conyers.

Mr. Rooney of New York with Mr. Young of Illinois.

Mr. Hanna with Mr. Ruth.

Mr. Blatnik with Mr. Anderson of Illinois.

Mr. Kluczynski with Mr. Rosenthal.

Mr. Kyros with Mr. Maraziti.

Mr. Leggett with Mr. Clay.

Mr. Rangel with Mr. Harrington.

Mr. Cotter with Mr. Lent.

Mr. Davis of Georgia with Mr. Butler.

Mr. Dingell with Mr. Skubitz.

Mr. Fulton with Mr. Broyhill of Virginia.

Mrs. Griffiths with Mr. Erlenborn.

Mrs. Hansen of Washington with Mr. O'Brien.

Mr. Alexander with Mr. Derwinski.

Mr. Meeds with Mr. McClory.

Mr. Metcalfe with Mr. Rose.

Mr. Murphy of New York with Mr. Wampler.

Mr. Stokes with Mr. Roybal.

Mr. Symington with Mr. Nelsen.

Mr. Breaux with Mr. Findley.

Mrs. Grasso with Mr. Hanrahan.

Mr. Jones of Alabama with Mr. Powell of Ohio.

Mr. Mills of Arkansas with Mr. Gude.

Mr. Patman with Mr. Michel.

Mr. Wright with Mr. Bob Wilson.

Mr. White with Mr. Stark.

Mr. Owens with Mr. Runnels.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed; and that I, as chairman of the Committee on Appropriations, have permission to include extraneous and tabular material relating to the joint resolution.

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

There was no objection.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that Mr. COLLIER and all Members may have 5 legislative days in which to extend their remarks on the life and service of the late Tom Vail, chief counsel of the Senate Committee on Finance.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TOM VAIL

Mr. COLLIER. Mr. Speaker, I join my colleagues in expressing my sorrow and sense of loss at the passing of Tom Vail, a truly dedicated and professional public servant.

During his 22 years of service to the Congress as a staff member of the Joint Committee on Internal Revenue Taxation, and most recently as chief counsel of the Senate Finance Committee, Mr. Vail's advice and counsel did much to improve the tax, trade, medicare, social security, and welfare laws of our Nation. His professional competence and ability to distill and present complex and technical details of complicated legislation in a calm and effective manner were of immeasurable importance to the committees he served.

Tom Vail's talents and expertise will be sorely missed by the Congress, but all of us are indeed fortunate to have known and worked with this fine man.

I wish to extend my deepest sympathy to Tom's loved ones.

A RIGHT TO LIVE

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

Mr. BRINKLEY. Mr. Speaker, today I am introducing what I consider to be the single most important piece of legislation I have ever authored during my service in this body—the National Cancer Research Act of 1973. Because of its magnitude in the terms of life which could be saved and the suffering which could be prevented by its enactment, I am inserting at this point the text of my remarks which were presented this morning at a news conference at which time I announced the introduction of this bill, and expressed my own feelings as to its potential importance not only to the Amer-

ican people but to people around the world.

The statement reads:

STATEMENT OF U.S. REPRESENTATIVE JACK BRINKLEY

About 53 million Americans now living will eventually have cancer—or about one out of every four persons. This year alone about 350 thousand will die of the disease. Since 1970 more than one million Americans have died of cancer. By the end of this decade an estimated 3.5 million cancer deaths will have occurred and some 10 million people will be under medical care for cancer.

These figures reflect just how devastating to human life cancer is. In a very real sense, this disease has declared war on the human race, and as in any war, the deaths reflect only a small portion of the actual suffering which the combatants must endure.

Today I will introduce in Congress the National Cancer Research Act of 1973. Let me emphasize that this legislation has but one goal: finding a cure for cancer within five years. To finance this massive scientific undertaking we have incorporated into this bill a two percent cancer eradication tax surcharge on the taxable income of every individual and corporation in the United States for a period of five years. We estimate that such a tax would result in at least $15 billion to be used exclusively for finding a cancer cure.

In announcing the introduction of this legislation, I fully realize that it follows enactment of the National Cancer Act of 1971 and the issuance of the National Cancer Plan by the White House in August of this year. As many of you probably know, the National Cancer Plan is a five year plan which calls for the ultimate elimination of all forms of cancer but does not set any specific deadlines to reach this goal.

It is the intention of this bill to provide a sufficient supply of funds so that every feasible and sound approach directly related to finding a cancer cure can be explored to the fullest possible extent. Let me say that this bill is not intended by any means to be a "slap" at any present cancer research now taking place or the manner in which our government and our scientists are attempting to find a cancer cure. Rather, it is designed to supplement these efforts—to throw cancer research into high gear, to supply the manpower and money needed to do everything humanly possible to find a cure for cancer at the earliest possible date. While I applaud the work of such outstanding organizations as the National Cancer Institute and the American Cancer Society, it is my strong personal belief that if a major breakthrough in cancer research is to take place within a time certain, then we must dramatically increase our present efforts. Every minute in which we live without a cancer cure or preventative means the loss of human life. I feel that under no circumstances should we allow another person to die of cancer simply because the money was not there to fund the research project which might have been only an eyelash away from a cure discovery.

Of course, winning the war against cancer will not be easy and it will not be inexpensive. It will require sacrifice by every American just as surely as it will benefit every American. However, our people are generous, and they will neither shrink from a great challenge nor allow an opportunity to accomplish a great good to pass them by.

Let us have another great commitment for the Seventies—the right of man to live, in his battle against cancer. The American spirit and steadfastness of purpose gives us every right to expect that we can do exactly what we set out to do. If we honestly want to conquer cancer—and if this want is more than an intellectual wish, we can do it if we are willing to pay the price, a price guaranteed not to be diverted for other purposes.

As for myself, I believe a cure for cancer can be found, and found within five years. I believe this bill can be the vehicle which will enable us to find that cure. I ask for the help and support of the American people in making cancer a disease of the past.

CANCER BILL SYNOPSIS

If it is our wish to develop a cancer vaccine, and if that wish is more than an intellectual desire, if its importance can be translated into a willingness of the American people to sacrifice mere treasure, then a principle of "a right to live" will have been established. To achieve this, I have structured major legislation, the National Cancer Research Administration, NCRA, after the National Association of Science and Astronautics which conquered the moon within a time certain—within the decade of the sixties. The time specified in my bill for the conquest of cancer is 5 years; a 2% cancer tax is incorporated which will automatically expire after an identical 5 year term. The money is to be held in a trust fund with the absolute guarantee that it be used *only* in the crusade against cancer. No giveaways; it asks rather than gives!

The NCRA is charged to control and coordinate all cancer activities—to chart the road map, to develop the game plan and to carry it out.

The statistics: $15 billion funding over the 5 years, more than 5 times as much as has been appropriated altogether for the past 35 years.

The stakes: 960 lives a day—one out of every four Americans, during their lives; this year 350 thousand; this decade 3.5 million; 10 million under treatment.

There will be a thousand reasons given why this won't work; but there are more than 200 million reasons "walking around" that say we must make it work.

I am prepared to ask the American people to make this sacrifice. Human life is precious, and the American people have never yet failed to rally in behalf of a noble cause.

INTRODUCTION OF RESOLUTION ON SHIFT OF SAN DIEGO PADRES TO WASHINGTON, D.C.

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

Mr. KETCHUM. Mr. Speaker, I rise to indicate that while I am much in favor of seeing a major league baseball team come to Washington, D.C., I question the advisability of acting in great haste to effect the transfer of the San Diego Padres to this city. I have in my hand and now place in the RECORD a resolution proposal by the Armory Board to the owners of the Padres. I believe it leaves unanswered many questions.

Is the Board offering a better deal than other cities might offer? Are the American taxpayers going to foot the bill by subsidizing this or any other team just to get them to come to the District of Columbia?

If so, why? I ask, Mr. Speaker, that the District of Columbia Committee investigate this situation and provide answers. In so doing, I cast no aspersions on any individual or group of individuals. I simply feel we need to know.

Mr. Speaker, the resolution is as follows:

DISTRICT OF COLUMBIA ARMORY BOARD: RESOLUTION

It is hereby resolved by the District of Columbia Armory Board (hereinafter "Board") that a lease agreement for the use of the Robert F. Kennedy Stadium (hereinafter "Stadium"), between the Board and the potential owners of a National League Baseball Team associated with Mr. Joseph B. Danzansky (hereinafter "Owners") shall be entered into within 60 days from the date of this resolution which agreement shall include, but not be limited to, the following provisions:

1. *Rent.* The Owners shall pay rental to the Board as follows: ten cents (10¢) for each paid admission exceeding the ticket price of seventy-five cents (75¢) up to one million paid attendance, thirty cents (30¢) for each paid admission exceeding the ticket price of seventy-five cents (75¢) above the total paid attendance of one million, which attendance figure shall not include the number of paid admissions of seventy-five cents (75¢) or less.

2. *Concessions.*

A. *Management and Control.* Food, Beverage and Tobacco concessions within the Stadium shall be under the management and control of the Owners during 12 months of every year. Sales of all items other than Food, Beverage and Tobacco shall be exclusively within the management and control of the Owners during the Official Baseball Season only. (As used herein, "Official Baseball Season" shall mean Owners' baseball games only.)

B. *Revenue.* Income from the sale of Food, Beverage and Tobacco during the Official Baseball Season shall belong exclusively to the Owners. Income derived from the sale of all items other than Food, Beverage and Tobacco during the Official Baseball Season shall likewise belong to the Owners. The Owners shall pay to the Board 33% of gross income derived from the sale of Food and Beverage and 10% of the gross income derived from the sale of Tobacco products at times other than during the Official Baseball Season.

C. *Contribution to Costs.* It is expressly provided that the Owners shall contribute $6,500 annually to the Board as compensation for electricity utilized by Food and Beverage concessions during the Official Baseball Season. In addition, commencing during the second and subsequent years of the lease agreement, if there is any increase in rates for electricity above the rates charged during the initial year of this lease, the Owners shall pay a sum representing any increase in the cost of electricity computed as follows: the annual percentage increase in rates charged by the utility for electricity multiplied by $6,500.

3. *Parking.*

A. *Management and Control.* All parking shall remain under the management and control of the Board, provided, however, that the daily unreserved parking rate of $1.25 per day during the Official Baseball Season shall not be increased or decreased by more than 20% by the Board without prior approval of the Owners; further provided that such appeal shall not be unreasonably withheld.

B. *Revenue.* The first $112,000 of net proceeds derived from parking revenues during the Official Baseball Season shall be paid to the Owners. Net proceeds above $112,000 but less than $262,000 shall be retained by the Board. Above $262,000 the next $50,000 of net proceeds shall be paid to the Owners provided that the Board first determines such payments will not cause a deficit in Stadium operation during the Official Baseball Season, which determination shall be subject to an audit by the Owners.

4. *Advertising.*

A. *Management and Control.* Advertising within the Stadium during the Official Baseball Season shall be under the management and control of the Owners, subject to the approval of any advertising material or content by the Board, which approval of shall not be unreasonably withheld.

B. *Revenue.* The Owners shall receive a

percentage of net advertising revenues derived from all advertising (12 months of every year) computed as follows: the net revenue from all advertising within the stadium over a twelve month period divided by a fraction, the numerator of which shall be the total paid admissions during the Official Baseball Season in excess of seventy-five cents (75¢) per admission, and the denominator of which shall be the total paid attendance for all events held in the stadium throughout the twelve month period.

5. *Owners expenses.* The Owners shall be obligated at their sole cost and expense to provide Liability Insurance, Game Day Personnel (ushers and ticket takers), Security Personnel within the Stadium, and the cost of maintaining the Playing Field on each day of an Official Baseball Game. The Owners shall agree to save harmless and indemnify the Board, the District of Columbia, the United States of America, including the Department of the Interior and the officers, agents and employees of each and all of them from liability of every nature, in connection with the Owners' activities or those of any opposing team relating to the use and occupancy of the Stadium.

6. *Board expenses.* The Board shall be obligated at its sole cost and expense, to pay all other stadium expenses including General Stadium Maintenance, Sound System Maintenance, Utility Costs (including all water service and all electric power) and Stadium Clean-Up expenses, and any Taxes imposed upon any property owned or controlled by the Board which it is required by law to pay.

7. *Term.* The agreement shall be for a term of 12 years commencing upon the beginning of the 1974 Official Baseball Season, subject to an increase in the rental payment as provided for in item one (1) after 6 years; such rental increase shall be computed as follows: the percentage increase in the cost of living index for the Washington Metropolitan Area as determined by the United States Department of Labor between the date of commencement of the term of the lease agreement and the date 6 years subsequent thereto.

It is expressly understood that the above seven (7) provisions are not to be considered by either the Board or the Owners as the sole provisions of the intended lease agreement. Such intended agreement shall be consummated no later than sixty (60) days; otherwise this resolution shall be of no further force or effect.

Whereas on May 14, 1973, the Armory Board resolved that a lease agreement between the Board and the potential owners of a National League Baseball team, associated with Mr. Joseph B. Danzansky, for the use of the Robert F. Kennedy Memorial Stadium be entered into within sixty days from that date; and

Whereas since that date unforeseen circumstances have precluded the potential owners of a National League Baseball team, associated with Mr. Joseph B. Danzansky, from entering into said agreement with the Armory Board,

Now, therefore: The Armory Board hereby resolves to extend for a ninety-day period the termination date specified in the May 14th resolution.

J. C. TURNER, *Chairman.*

July 11, 1973.

DISTRICT OF COLUMBIA
ARMORY BOARD,
Washington, D.C., September 17, 1973.

Mr. JOSEPH B. DANZANSKY,
DANZANSKY AND DICKEY,
Washington, D.C.

DEAR MR. DANZANSKY: This is to inform you that the official minutes of the District of Columbia Armory Board for the meeting held September 14, 1973, reflect the following unanimous action taken by the Board:

"The resolution dated May 14, 1973, relating to a lease agreement for the use of Robert F. Kennedy Memorial Stadium, is hereby amended by adding at the end of Provision No. 7, relating to the term of the lease agreement, the following new language:

" 'In the event the total paid attendance for baseball at the Stadium for any three (3) consecutive baseball seasons (commencing with the 1976 baseball season) amounts to less than $2,700,000, the Owners shall have the option to terminate the lease agreement. Should the Owners exercise such option they shall reimburse the Board for the depreciated value of any improvements made to the Stadium and parking lots for baseball and the amount of such reimbursement, if in dispute, shall be determined by referral to the American Arbitration Association, whose decision shall be final and binding upon the parties; no such improvements shall be made by the Board without first obtaining approval of the Owners. If the Owners exercise such option to terminate the lease agreement, they, their heirs, successors, and assigns, shall not relocate any baseball franchise within a 75-mile radius from the zero milestone in the District of Columbia.'."

The Armory Board has authorized me to submit this letter to you reflecting its official action.

Very truly yours,

ROBERT H. SIGHOLTZ, *Manager.*

PADRE MOVE MEANS LARGE CITY DEFICIT

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

Mr. VAN DEERLIN. Mr. Speaker, my California colleague, Mr. KETCHUM, has performed a distinct public service.

The inquiry he seeks should include all circumstances surrounding a very strange sequence of events.

The document Mr. KETCHUM has placed in the RECORD bears an original date of May 14, 1973. It was renewed on July 11. Yet the San Diego city attorney's office was unable to obtain information about it less than 1 month ago.

A city attorney's deputy says he was told no such document existed—indeed, that no formal negotiations had taken place between the Armory Board and the prospective District of Columbia baseball owners, for use of RFK Stadium.

Apparently, he was lied to.

A copy of this same tentative contract was turned up yesterday during deposition proceedings involving the National League president, Chub Feeney.

What we see here, Mr. Speaker, is a plot combining public officials and private businessmen, to take a baseball team from another American city—whose citizenry will thereby lose more than a half-million dollars in annual stadium revenues.

We see a sweetheart contract for use of RFK Stadium, which is underwritten by all the taxpayers of America.

It is time to get this transaction out of the dark corners, and find out who has been abusing the public trust.

I place in the RECORD a pertinent news story from this morning's San Diego Union:

PADRE MOVE MEANS LARGE CITY DEFICIT

(By Robert P. Laurence)

If San Diego loses the Padres, it will also lose $504,000 a year in operating revenue at San Diego Stadium, city Property Director William L. MacFarlane said yesterday.

When the team, which has been conditionally sold to a Washington, D.C. combine, played baseball here, stadium operations were in the black by $276,000 a year. MacFarlane told reporters at a meeting of the Stadium Authority Board of Governors.

Without the team, operations will fall into the red by $228,000, he predicted. The fall from a $276,000 surplus to a $228,000 deficit will add up to a total loss of $504,000, MacFarlane said.

"That's our real loss," he said.

It takes $1.5 million a year to keep up payments on the $27 million facility, MacFarlane said, and with the Padres playing, $200,000 from stadium operations went toward the total.

Now, the city will have to pay the entire $1.5 million, he said.

On another issue, the board directed MacFarlane to study a proposal to build permanent bleachers at the open east end of the stadium, where temporary bleachers are now rented by the stadium authority for $18,000 a year.

$300,000 COST

It would cost $300,000 to build 6,140 seats, he said, and the project could pay for itself in 15 years.

There are already 400 permanent seats in the area, plus the 5,000 rented seats.

Meanwhile, board member Albert Harutunian reported that fire department safety experts were studying ways of improving egress from the playing field area so the stadium can be used for concerts, camper shows and other events that would bring spectators to the field area.

MacFarlane released a "San Diego Stadium Revenue Report" which showed that gross revenue at the stadium in the fiscal year which ended last June 30 was $1.4 million.

REVENUE UP

The revenue included $272,000 from the Chargers, $177,000 from the Padres, $38,092 from the San Diego State University Aztecs, $383,700 from Servomation, supplier of food and drinks in stadium concession stands, $455,000 in parking revenue, and $67,321 in miscellaneous income.

The revenue total for fiscal 1972–73 was up from the $1.27 million of 1971–72.

The Chargers and Padres have each paid the city eight per cent of their gross receipts, while the Azetcs have paid 10 per cent or $2,500, whichever is greater.

THE LATE HONORABLE J. VAUGHAN GARY

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from Virginia, Mr. SATTERFIELD, is recognized for 60 minutes.

Mr. SATTERFIELD. Mr. Speaker, it was with deep sadness that I announced the death of former Congressman J. Vaughan Gary of Virginia, who passed away September 6th after a long illness.

Vaughan Gary ably represented the Third Congressional District of Virginia in the House for nearly 20 years, beginning in the 79th Congress.

Educated in the Richmond public schools, he was graduated from what is now the University of Richmond, and the T. C. Williams School of Law in 1915 Following this, while practicing law, he joined the Army during World War I and served honorably until his discharge following the end of that conflict. He returned to Richmond and resumed the practice of law.

Vaughan Gary devoted his life to service in his community. When he was not occupied with elective office, he was devoting his energy to civic affairs in his community. He served as vice president of the Richmond Community Council, president of the Richmond Bar Association, master of the Masonic Lodge, president of the State chamber of commerce, member of the committee on Federal taxation of the eastern region of the National Association of State Chambers of Commerce, member of the board of trustees of the University of Richmond, member of the board of trustees of Fork Union Military Academy, and a member of the board of directors of the Virginia Cooperative Education Association.

Mr. Gary was an experienced legislator when he came to Congress, for he served in the Virginia General Assembly from 1926 until 1934. His keen interest in legislative affairs continued with his service as chairman of the Virginia Advisory Legislative Council committee on child welfare, and as chairman of the mayor's committee to study aspects of the Richmond court system. He was an advocate of the elimination of slums and worked diligently in bringing about greater understanding and cooperation between State and Federal governments in efforts to deal with slums and substandard living conditions. He was a strong advocate of penal reform and exhibited pride in his contribution to the formulation of penal reform legislation—the creation of a State farm for misdemeanants and a State farm for women.

In 1945, Vaughan Gary ran for Congress in a special election, pledging himself to no individual or group other than the people of the Third Congressional District. The 79th Congress, to which he was elected, and succeeding Congresses, observed the validity of that pledge, for it has been said that he was never a compromiser, fighting to the last ditch for what he considered the right and proper thing.

If Vaughan Gary's career can be said to have centered in one area of governmental concern, it was his untiring activity in the field of fiscal affairs, especially taxation. In 1915, while engaged in the practice of law, he served as assistant to the Virginia State Tax Board and as a member of the War Industries Board. While serving in the General Assembly of Virginia in 1927, he was appointed to a three-member State commission created by the State legislature to revise, simplify, and codify the tax laws of Virginia. This commission then compiled the Virginia Tax Code which still serves as the basis of today's State Tax Code.

He served as executive secretary of the National Committee on Inheritance Taxation and in 1940 appeared before the cognizant congressional committees to express his views on tax-related matters. In Congress he served on the Appropriations Committee from the second session of the 79th Congress through the 88th Congress. During that time, he served on the State, Justice, Commerce, Judiciary Subcommittee and the District of Columbia Subcommittee. He served as chairman of the Foreign Aid Subcommittee, and chairman of two agencies under that subcommittee—the Economic Cooperation Administration and Mutual Security.

He later resigned from these posts to become chairman of the Subcommittee on the Treasury-Post Office—now the Treasury-Postal Service. In 1949, chairing the five-man Foreign Aid Subcommittee, Vaughan Gary played a key role in the establishment of the Marshall Plan. Subsequently, he led debate in the House on the annual Treasury-Post Office appropriations bills, expressing pride in the economies they embraced.

As a member of the Appropriations Committee, Congressman Gary served temporary assignments on the following working groups: The legislative-judiciary group; the group to investigate effectiveness of the Anti-Deficiency Act; the group to consider proposals regarding balancing the budget; and the group on administration plan to improve congressional control of the budget. He also was a member of a Special Subcommittee to Study the Use of Foreign Currency, and a member of a Special Subcommittee to Confer With the Senate Concerning Conferences Between Two Bodies.

On December 23, 1964, Congressman Gary's continued interest in fiscal and foreign affairs brought him the Distinguished Service Award of the Treasury Department for "recognition of distinguished public service." This was the first time such an award had been given to a Member of Congress and it was presented by Secretary of the Treasury Douglas Dillon, who called Congressman Gary, "one of the truly outstanding Members of Congress."

Throughout his tenure in the United States House of Representatives, he worked to preserve the free enterprise system, to seek a balanced budget and to maintain his Nation's military strength.

At the age of 72, in what he called his "most difficult decision," Congressman J. Vaughan Gary elected to retire at the close of the 88th Congress. Throughout his career in public service, which covered more than a half century, he served his Nation, State, and district with honor and distinction. His unselfish devotion to his constituents and his untiring efforts in their behalf, his knowledge, ability, and integrity were in keeping with the highest traditions of his native State. I know I speak for all of the people of my district in expressing a deep feeling of loss at his passing and in extending to his wife and family a sincere expression of sympathy.

Mr. NATCHER. Mr. Speaker, our former colleague, J. Vaughan Gary, who represented Virginia's Third Congressional District from 1945 until 1965, passed away on September 6 of this year.

Vaughan Gary was a friend of mine. I respected him for his outstanding abilities as a lawmaker, and admired him for his dedication as the chosen Representative of his people. As a member of the Committee on Appropriations in the House, his contributions were many, and in his role as chairman of the Subcommittee on Treasury and Post Office, his devotion to duty and his adherence to the principles of sound government were always present. Vaughan Gary was known throughout the Commonwealth of Virginia as a leader of men and a man of public spirit. His many accomplishments in the Congress, fine as they were, will not eclipse the personality and character of the man himself. He was a busy man—a humble man—and a good man.

Mr. Speaker, I was sorry to hear of the death of my friend, J. Vaughan Gary, and I extend my sincerest sympathies and condolences to the members of his family.

Mr. RHODES. Mr. Speaker, our Nation has suffered a great loss in the passing of our former colleague, J. Vaughan Gary, on September 6 of this year. Vaughan Gary served his country with diligence and dedication for a period of 20 years in the House of Representatives, and during that time he was instrumental in the enactment of sound legislation which will continue to benefit his fellow Americans for generations to come.

Vaughan Gary enjoyed a host of friends on both sides of the aisle during his lengthy tenure of office, and I am sure my sense of personal loss is shared by many.

My sense of loss is particularly great because of my personal friendship with him. As members of the Appropriations Committee we had occasion to work together and travel together from time to time. He was not only a capable, distinguished legislator, but he was also a delightful companion and friend.

My sincere sympathy is extended to Mrs. Gary and his family in their bereavement.

Mr. CONTE. Mr. Speaker, throughout the two decades which followed World War II, a turbulent period in the history of the United States, this distinguished body was fortunate to count as one of its members a talented and dedicated Congressman from the Third District of Virginia—the late Honorable J. Vaughan Gary.

In his 20 years in Congress, from 1945 to 1965, Vaughan Gary provided his constituents with the best possible representation, as well as serving his Nation with ability and distinction. He was a man whose concerns and efforts were truly national in scope, and yet he never failed to perceive the human element in issues in terms of their impact on people.

As a member of the Appropriations Committee, Mr. Gary brought to that committee a strong concern for fiscal economy. But, at the same time, this enlightened public servant recognized the great necessity in the late 1940's for this Nation to lend a helping hand to the war-ravaged lands across the seas.

Vaughan Gary demonstrated his outstanding ability for leadership as chairman of the Treasury-Post Office Appropriation Subcommittee, and I had the great honor of serving with him on that body for 6 years. He earned the deep admiration and respect of every member of that subcommittee for his boundless capacity for hard work.

His years of service on the Hill were studded with achievements. One of these, with which I am most familiar, was his concern for the U.S. Coast Guard. At that time, the Coast Guard budget was under the jurisdiction of the Treasury-

Post Office Subcommittee, and Vaughan Gary had a deep appreciation of this great service. I accompanied him on numerous inspection trips to Coast Guard installations and he knew where every penny we appropriated went; he knew the Coast Guard's needs; and he worked endlessly to see that those needs were met.

His work on Coast Guard affairs is only one example of the dedication, ability and perseverance he brought to his job. He provided this House and this country with an example of leadership which is hard to match.

Mr. Speaker, J. Vaughan Gary was an inspiring example of what a congressman should be. I join all my colleagues in mourning the passing of a good man and an outstanding public servant.

Mr. ADDABBO. Mr. Speaker, I rise to participate in this special order to eulogize the passing of a former Member of this body, the Honorable J. Vaughan Gary. Congressman Gary served as the U.S. Representative from Virginia's Third Congressional District for 20 years and his passing on September 6 of this year marked the end of an illustrious career of public service.

Former Congressman Gary practiced law in Richmond, Va., and following his Army service during World War I, he served as counsel and executive assistant of the Virginia Tax Board from 1919 through 1924. He was elected to the Virginia State House of Delegates in 1926 where he continued his public service until 1933. Other highlights of his career included his tenure as a member of the board of trustees of the University of Richmond. I was privileged to know and work with Congressman Gary during my first few years in the House until his retirement from Congress in 1965.

The Nation has lost a dedicated public servant and I join my colleagues in the House in mourning the loss of our former colleague, Congressman Gary and extending my personal sympathies to his family.

Mr. FUQUA. Mr. Speaker, the passing of former Congressman J. Vaughn Gary is deeply felt by all those who had the privilege of serving with this truly outstanding man and legislator.

It was my misfortune to only be able to serve with Congressman Gary for one Congress, my first term, and in that 2-year period, I came to know and respect him as a man of ability and integrity. He was on the Appropriations Committee at the time and served as chairman of the Subcommittee for the Post Office and Treasury.

Mr. Gary served his fellow man well in every position in which he served. From 1919–24 he served in the Virginia House of Delegates and was later elected to the 79th Congress to fill the vacancy caused by the resignation of his predecessor.

From March 6, 1945, Congressman Gary was to make his mark until his retirement on January 3, 1965. He had served honorably and had the respect of his colleagues on both sides of the aisle.

In the years since, he has been home in Richmond, Va., where his counsel and guidance were highly valued and where he continued to merit the respect of those with whom he came in contact.

Congressman Gary is another in that link of men who not only served in this body, but who served well. He represented his people well, he had the courage of his convictions, and he had a quality that made his colleagues know that this was indeed one of our finest.

I join in extending my sincere regrets at the passing of a friend I shall miss.

Mr. SIKES. Mr. Speaker, it is with deep and personal regret that I have noted the death on September 6 of a man whom I came to know well and to respect very much during his tenure in Congress.

Vaughan Gary represented Virginia's Third District from 1945–65. During each day of these 20 years he served his district, his State, and his Nation with honor and distinction. I was proud to share his friendship.

It is of interest that he succeeded David Satterfield, Jr., when that able representative voluntarily left this body. Mr. Gary in turn was succeeded by DAVID SATTERFIELD III. He has also served with great ability and given distinguished representation in the Congress.

Mr. Gary served on the Appropriations Committee of the House and became chairman of the Subcommittee on Foreign Aid. There he played a key role in the implementation and operation of the Marshall plan to rebuild Europe after the war. He saw the wisdom of a strong, free Europe as a butress against Communist aims and he was a leader in Congress in the work to assure strength and freedom for Europe and the Western world.

During all the years that I knew him, I respected in the highest degree his keen mind, his foresightedness, and his dedication to the cause of freedom and justice.

Many men have served in the Congress for longer periods than did J. Vaughan Gary, but few have left a more distinguished record. When he decided not to seek reelection in 1964, those of us who knew him realized we were losing a good friend and a fine and able Congressman.

Now that he has been taken from us we realize even more how great a part he played in world history and how much his valuable counsel has been missed.

My earnest sympathy is extended to all the members of his family.

Mr. MAILLIARD. Mr. Speaker, I want to join in paying tribute to our departed colleague J. Vaughan Gary. Others have given the details of his long and most distinguished public career. I heartedly endorse their praise of his personal and professional accomplishments. I can well attest to Vaughan's effectiveness as a Congressman; in particular, Vaughan's efforts to build a strong Coast Guard will be long remembered and well appreciated by his colleagues and country-at-large. My wife and I offer our sincere condolences to the family of our departed colleague.

GENERAL LEAVE

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the life, character, and service of the late Hon. J. Vaughan Gary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

HUMANE SLAUGHTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GUNTER) is recognized for 5 minutes.

Mr. GUNTER. Mr. Speaker, since the introduction of my bill, H.R. 8055, to prohibit the importation of meat or meat products from livestock slaughtered or handled by other than humane methods, I have received a large volume of mail, all of it strongly in favor of the bill.

Although I was somewhat surprised by this reaction to the bill's introduction, before many elements of the public have had an opportunity to become acquainted with the issue, it really is no wonder that this worthwhile measure has received such marked approval. Very few pieces of legislation are offered which have adverse affect on special interest groups, yet appeal both to the practical good sense and compassion of our millions of livestock producers, to the ideological concern for animal welfare of humane groups, and to the natural wish of millions of meat consumers to not eat meat produced at the cost of pain and suffering. My bill would accomplish this objective without hurting in the slightest any group of citizens of this country.

Methods of slaughter and handling before slaughter used in some foreign meat processing plants are as humane as those now used in most U.S. packing plants. But in many other foreign plants, these methods are crude and cruel. There is just no way that the average consumer can distinguish between such inhumanely slaughtered imported meat and that from plants in this country which abide by our Federal and State humane slaughter laws.

My bill, which I am reintroducing today with 15 cosponsors, would require all plants processing meat for export to the United States to use humane methods. Enforcement would be relatively simple, since we already require the use of sanitary methods, and U.S. Department of Agriculture inspectors visit these plants regularly.

Mr. Speaker, I represent a State and district where large numbers of both livestock producers and animal lovers reside. Florida has had a humane slaughter law for 13 years. About 25 other States have similar laws, in addition to the Federal act passed by the Congress in 1958. It is time to stand up and be counted as among those opposed to a continuance of inhumane slaughter in any meat packing plant producing meat for export to the United States.

MILLS-VANIK AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, in the past week, I have made several statements with regard to the importance of the Mills-Vanik amendment being made part of the 1973 trade bill. Many of us feel encouraged by the action of the House Ways and Means Committee in adopting the amendment and will continue to work for retention of the amendment in the final version of the bill that is signed into law.

The Soviet Union's reprehensible treatment of Soviet Jews certainly speaks most forcibly for enactment of the Mills-Vanik amendment. At this point in the RECORD, however, I would like to bring to the attention of my colleagues two other situations which seem to me to have a bearing as well on the question of most-favored-nation status for the Soviet Union. Recently, I received a letter from a constituent, Mr. Edwin S. Marks, with regard to the matter of the Russian dollar bond debt; the text of Mr. Marks' letter to me follows:

CARL MARKS & CO. INC.,
New York, N.Y., September 26, 1973.

Re Trade Reform Act of 1973.
Hon. LESTER L. WOLFF,
The House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WOLFF: With reference to my statement given to the Committee on Ways and Means on June 1, 1973, I herewith enclose a letter from the Russian Embassy, which clearly demonstrates the Soviet disregard for property rights. If the Russian Dollar Bond debt can be arbitrarily "abolished by decree" in violation of international law, what will prevent the Soviet Union from repudiating new commitments in the future?

In this context, it is difficult for us to understand how our government can even consider those proposed sections of the "Trade Reform Act of 1973" which enable "Most Favored Nation" treatment to be granted to the Soviet Union and repeal the Johnson Debt Default Act.

Officials of our government have acknowledged the legitimacy of the Imperial Russian Government Dollar Bond debt and claim to be awaiting the proper time to discuss it with the Soviets. We believe the time is *now*, before further concessions are made by us.

Respectfully,
EDWIN S. MARKS, *President.*

As Mr. Marks notes, our own Government has recognized the legitimacy of the Imperial Russian Government dollar bond debt, yet the Soviet Union views this debt as virtually nonexistent. I would also like to include in the RECORD a copy of the letter Mr. Marks received from the Russian Embassy, which very succinctly states "that prerevolution bonds were abolished by decree of the Soviet Government;" the text of this letter follows:

EMBASSY OF THE UNION
OF SOVIET SOCIALIST REPUBLICS,
Washington, D.C., September 5, 1973.

KARL MARX & CO.,
New York, N.Y.

DEAR EDVIN MARX: In responce to your letter concerning bonds of 1916 please be informed, that pre-revolution bonds were abolished by Decree of the Soviet Government of January 21, 1918.

So, Bonds of the Imperial Russian Government has no value now.

Sincerely yours,
V. USPENSKY, *Vice Consul.*

Like my constituent, I have difficulty foreseeing the Soviet Union honoring future commitments in light of such flagrant violations of international laws as the Russian dollar bond debt matter. Certainly our Government should consider and attempt to resolve such matters before granting the Soviet Union most-favored-nation treatment.

The other matter I would like to bring up concerns the nearly 600 U.S. emigrants in the Soviet Union—those who have applied to emigrate to the United States either on grounds of American citizenship or to join American relatives. The New York Times reported on this disturbing situation on September 26; a text of the article follows:

SOVIETS UNYIELDING ON U.S. EMIGRANTS
(By Hedrick Smith)

Moscow, September 26.—American officials are disturbed by the meager progress made recently in clearing a backlog of nearly 600 people here who have applied for emigration to the United States either on grounds of American citizenship or to join American relatives.

Most of the cases are longstanding and one dates back 25 years.

This issue has been over-shadowed by the controversy over the emigration of Soviet Jews to Israel, largely because the State Department and the American Embassy here have preferred to deal with the Soviet authorities quietly. But the deadlock on Soviet emigration to the United States is becoming apparent as Congress moves toward active consideration of the Administration's trade bill.

Each case is different but there are familiar patterns. In almost all cases, the Soviet applicant has an American sponsor, and in a number of cases Congressmen have intervened. Even Lyndon B. Johnson intervened as a Senator. But the Soviet authorities have been unmoved by such Congressional interventions.

MANY ARE ETHNIC CASES

The bulk of the cases come from the minority nationality republics—roughly 250 names on the last list were from the Ukraine, about half of which were Jewish, judging by the family names; about 140 were from Armenia, and about 50 each were from Latvia, Lithuania and the Russian Republic.

In Armenia and the Baltic republics, the lists include applicants whose parents brought them here from the United States around the time of World War II. The parents have died and the children, now grown, want to return to the land of their birth.

"Some of these people sound as American as your or I," one consular official remarked. "One guy called me up the other day to ask me how Hank Aaron was doing. But he can't get to the same country where you and he and I were born."

LONGEST-TERM APPLICANT

The longest-term applicant is a Brooklyn-born woman, brought to then-independent Lithuania in the nineteen-twenties, when she was 7 years old. She was caught up in the Soviet take-over of Lithuania and for 25 years has been blocked in her efforts to rejoin a brother living in Ozone Park, Queens. He returned to the United States in 1936.

Another category of cases is that of couples separated by World War II—the husband pushed to the west, the wife left in the east, or vice versa, and unable to reunite.

One woman, now about 60, has reportedly been trying for 17 years to rejoin a husband who was captured by Nazi forces during the war, then released to a camp for displaced persons after the war, and who finally made his way to the West. He lives in Cleveland. She has repeatedly been refused permission to leave the Soviet Union.

MOSCOW'S INACTION SURPRISING

American officials have been surprised that the Soviet authorities have not moved quickly on this issue, rather than let it get caught up in debate over the proposed amendment to the trade bill that would withhold concessions from Moscow unless it allowed free emigration.

Washington had hoped that the euphoria that accompanied the visit of the Soviet leader, Leonid I. Brezhnev, to the United States in June would insure progress on this problem. But officials now report less success this year than in past years.

A list of 660 applicants for exit visas to the United States was presented in Washington on June 8 to the Soviet Ambassador, Anatoly F. Dobrynin, following up an earlier approach made in Moscow by Adolph Dubs, the American chargé d'affaires, to a deputy foreign minister.

90 ALLOWED TO LEAVE

In more than three months, about 90 people on the list given to Mr. Dobrynin were permitted to leave. The other cases remain blocked.

A new appeal was made yesterday by two aides to Senator Vance Hartke, Democrat of Indiana, who presented the list to Andrei Vernin, head of the Soviet Office of Visas and Registration. Senator Hartke has taken an interest in Soviet-American trade and emigration matters, and his aides were here to look into both areas.

Most of the time, Soviet officials offer no explanation for rejecting a visa applicant. But Mrs. Anastasia P. Petrushevicience, who was born in Elizabeth, N.J., in 1914, was reportedly told that she could not leave her daughter in the Soviet Union. The daughter is 36, married and with no desire to emigrate.

American officials assert that the flow of emigrants to the United States is far less than the 31,000 Jews allowed to leave for Israel last year, or even the 3,300 ethnic Germans permitted to rejoin relatives in West Germany.

As the Times notes, these applications have been pending for a considerable length of time. Many of the individuals involved were actually born in the United States and merely wish to return to their homeland. The Soviet authorities continue to drag their feet on processing these applications, and at present, it is doubtful whether many of these Americans will ever see their place of birth again.

Mr. Speaker, our Government has more than sufficient valid reason for denying most-favored-nation status to the Soviet Union at this time. I hope the Congress will weigh very carefully the many factors that demand enactment of the Mills-Vanik amendment and see that it is retained in the 1973 trade bill.

MANDATORY FUEL OIL ALLOCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 20 minutes.

Mr. ADDABBO. Mr. Speaker, I am gratified that President Nixon this week, at long last, announced imposition of mandatory fuel oil allocation. It would have been preferable that the action had been taken much earlier, for there seems to be some doubt that mandatory allocation or not, that there will be sufficient

fuel supplies in the Atlantic Northeastern States.

It is not very comforting to realize you cannot promise your family that their home will be warm this winter. It is not comforting to wonder whether the elderly, the poor or the ill will suffer from cold this winter.

But while we in the Congress must support the President in every effort to see that enough fuel exists throughout the winter months for those who need it, we must—at the same time—point out that the present crisis exists because the Nixon administration has vacilated for almost 5 years on the question of the energy crisis.

We have the right to say that because of the record of the administration, and it is not merely partisan bickering to do so. An energy crisis is a national rather than a partisan issue. Republicans get as cold as Democrats and if there is not enough fuel for this winter, all of us will suffer.

But when a President has been in office for 5 years and has had ample warning of an impending crisis and has not responded to it, he can only blame himself.

Year after year, congressional committees have urged the administration to act. Year after year we have been told there is no crisis, that the administration was on top of the problem and that we who were crying wolf really did not understand this complicated problem.

Well, it is clear now that we understood it all too well. We are faced with only weeks before snow begins to fall, and we do not know if we shall survive this winter or not.

But heat, important as it is to each of us, is only part of a more serious picture. Our very existence as a nation depends on energy, and we find ourselves very likely at the mercy of other nations. David, by withholding his oil, can bring Goliath to his knees.

And what of the farmer who requires propane to dry his soybean crop? What of the worker at the steel plant when there is no natural gas? What of the electrical producers who cannot get the heating oil to run their powerplants?

For most of this year, those questions have been posed time and time again, and yet, it was only this week, after months of indecision, that the President acted. All of us as Americans have a right to believe that our interests have been shortchanged by this administration.

The Nixon administration has been acting in ostrich-like fashion hiding its head in the ground and offering no meaningful solutions with far too little regard for tomorrow from which there is no retreat. The President did not characterize the energy situation as a crisis. Instead, he merely said:

> I would simply say that, in the short-term we face a problem, a problem with regard to energy, hearing, for example . . .

The President and his administration were told of the problem long ago, and he did little, if anything. In fact, over 3 years ago, President Nixon was alerted to the serious situation.

Three years ago, in October 1970, the Permanent Select Committee on Small Business of the House of Representatives, of which I serve as a member and a chairman of one of its subcommittees, conducted an investigation and held hearings on "The Impact of the Energy and Fuel Crisis." Among the many witnesses heard was Mayor John V. Lindsay of New York City. At that time—October 1970—he was asked about the crisis. In crystal clear language he testified as follows:

> So it really comes down to the Federal Government. And only the Federal Government can make those key decisions that will produce an adequate supply of fuel, which includes fuel for New York City.
>
> Federal inaction at this time can result in the kind of a crisis that I spoke of—heatless homes and stores, threats of air pollution, increased costs, personal inconvenience, sickness, and the rest.
>
> He was then asked: "I take it therefore that you feel that this needs a long-range solution, and that this involves some Federal agency making some definite plans for the future?
>
> "Mayor LINDSAY. Yes, sir; that is absolutely right, Mr. Chairman."

The New York Times, on October 2, 1970, rightly called this a "Manmade Fuel Crisis" and editorially commented:

> The Administration's instinctive response to this many-sided problem was to let it drift. Dr. Paul W. McCracken, the President's chief economic adviser, said several weeks ago: "I think the most helpful solution from what very little I have been able to see of this problem at the moment would be to pray for a benign weatherman this winter."
>
> With the seriousness of the problem becoming more apparent every day, however, the White House has now announced some small measures. They seem more designed to take the political heat off the Administration than to provide real heat to anyone else.

Fuel and energy shortages are now again of critical concern not only to New York, but also in most regions of the country. The shortage of fuel oil threatens schools, hospitals, and other public accommodations and, of course, also threatens private homes. The situation is not new, and has been lingering on the horizon for several years. Fuel rationing is a necessity today but what plans have we for next year? The answer is none.

As I pointed out 3 years ago in my subcommittee's hearings, and as I have said time and again, we are tired of having to go through each winter not knowing whether there is sufficient fuel, and waiting each summer for that inevitable power failure.

There is a crisis, and it is not simply limited to fuel or power shortages. The crisis is whether the Government is willing to take the steps necessary to assure that its citizens, no matter from what section of the country, are supplied with the basic necessities of life. Simply stating that the Federal Government is going to allow economic conditions to provide the impetus for securing necessary fossil-fuel products is not sufficient, in my opinion. As far as I am concerned, it is simply a living example of the three monkeys who hear, speak, and see no evil.

The President and his advisers are simply ignoring the realities of this situation. Action must be taken immediately, and it must be more than stopgap in nature.

The Nixon administration, however, ignored the problem until this week. A plan for mandatory allocation of home heating oil—and as well, perhaps, of diesel fuel, propane, and other fuels—is a reality, but I have serious reservations about details of this plan. The time for merely temporary measures came to an end long ago, and the energy crisis must be dealt with in a comprehensive program which gives prime emphasis to conservation of energy.

At the hearings of the subcommittee on which I serve Gen. George A. Lincoln, the Director of the Office of Emergency Preparedness, emphasized 3 years ago that No. 2 heating oil supply will be adequate. Today, we find that Dr. Kenneth Lay, Deputy Under Secretary of the Interior for Energy, in a speech on September 20, 1973, before the New Jersey Gas Association, admitted that the Nation must not be lulled into thinking that mandatory allocations of petroleum will solve the energy problem. He said that although mandatory allocations may be required to insure an equitable sharing of the shortages, it cannot eliminate these shortages.

Estimates of the shortage of home heating oil next winter range from 7 percent to 30 percent.

Certain other high officials in the administration maintained that "there is no crisis—no problem." Reasonable men can and will differ about the information available. Even the members of the Cabinet Task Force, which were appointed by the President in March 1969, in submitting their report a year later did not reach unanimous agreement on a set of recommendations. The conclusions of the then Secretary of Commerce and the Secretary of the Interior differed sharply from those reached by the remaining members of the Task Force.

Federal Power Commission Chairman John N. Nassikas, who some years ago was a witness before our House Subcommittee, declared in August 1973 that the survival of the United States as the world's leading nation is dependent upon "an early solution of our pervasive energy problem."

The temporary and merely palliative nature of the President's recommendations can be gathered from the fact that he called for a temporary relaxation of air quality standards in an effort to avoid a fuel shortage this winter. Although the White House can administratively relax Federal clean air standards, it has no authority to override State standards. Most of President Nixon's proposals relate to somehow providing more fuel to feed the vehicles, generators, furnaces and air conditioners of an America bent on consuming all the energy it wants with too little regard for tomorrow.

It is appalling that the President's recent energy message fails to include any actions or recommendations that would increase exploration and development of additional U.S. oil and gas supplies in the continental 48 States—a source which can be made available for the short term during the next 10 years.

Proposals for long-range research, reorganization of Government agencies and conservation in the use of energy do not take care of the root problem of oil and gas shortages in the 1970's.

Oil and gas now supply 75 percent of the total energy requirements, and there are few possible alternative forms of energy for the balance of the decade. The best answer for U.S. consumers lies in increasing domestic supplies of oil and gas.

Over the years, the oil imports problem has become increasingly serious. A number of committees of both the House of Representatives and the Senate held hearings regarding oil imports, and a subcommittee of the House Select Committee on Small Business held hearings respecting this matter several years ago.

In the light of the present situation, and only as a temporary measure, I favor a certain relaxation regarding limitations on foreign oil imports. We do, in fact, need more oil from other countries, and I suggest that Western Hemisphere nations be given preference.

It is also clear that there exists a direct relationship between the Nation's security and adequate and available sources of energy. Oil and gas consumed in this country account for a large part of that employed for defense purposes. The United States cannot and must not become dependent upon uncertain available foreign oil.

I am firmly convinced that the first priority of the United States is to limit its increasing reliance on imported sources of crude oil, particularly from the Middle East. The 11 member nations of the OPEC—Organization of Petroleum Exporting Countries—are now calling for further increases in the price of petroleum, thus further causing and aggravating the existing energy crisis. With Libya's nationalization of foreign oil companies, the Arab oil squeeze began in earnest.

These developments underscore the urgency and immediate necessity for the construction of the oil pipelines from Alaska. The President called it a "first legislative goal." I deem it an emergency matter, and I strongly urge and recommend that it be completed with all deliberate speed, not only for U,S. security, but for the safety of the Free World.

Years ago, the Congress gave the Executive the warnings and the tools to prevent the present energy crisis. Investigations were conducted, congressional hearings were held, House and Senate official reports were filed; yet, the Nixon administration did too little and too late in the face of the crisis. I repeat, "Too little and too late."

THE TRADE BILL AND TRADE NEGOTIATIONS AS VIEWED BY DEPUTY ASSISTANT SECRETARY OF COMMERCE STANLEY NEHMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, 2 weeks from today the House will take up what well may be the most controversial legislation of this session or of the entire 93d Congress, the Trade Reform Act.

The bill will come to the floor after weeks and weeks of hearings and extensive executive sessions. While I have serious reservations about the content of this legislation I believe it should be brought to the floor for consideration.

Many of us in the Committee on Ways and Means were disappointed in the bill, not so much for what it does, but for what it does not do for American workers and manufacturers injured and threatened by foreign imports, many of which are subsidized by foreign governments.

Recently I had the opportunity to read a speech by former Deputy Assistant Secretary of Commerce and Director, Bureau of Resources and Trade Assistance, Stanley Nehmer which touched on some of these problems. At present Mr. Nehmer is continuing his interest in the field of international trade as director of Economic Consulting Services for the national accounting firm of Wolf & Co. His remarks, "The Trade Bill and the Trade Negotiations: A Status Report," were delivered September 13 before the Overseas Automotive Club at New York City.

Mr. Speaker, I insert Mr. Nehmer's remarks in the body of the RECORD at this point and commend them to the attention of my colleagues:

THE TRADE BILL AND THE TRADE NEGOTIATIONS: A STATUS REPORT

(By Stanley Nehmer)

Fifty years of service in promoting American exports is an enviable record which few organizations can match. I add my congratulations to the many which the Overseas Automotive Club and its members have received during this Golden Anniversary Year. I was still in the Executive Branch when Secretary of Commerce Dent extended congratulations to you on behalf of President Nixon.

Our discussion today is very timely. In Washington, the Ways and Means Committee of the House of Representatives is wrestling with the Administration's trade bill, referred to as the Trade Reform Act of 1973. In Tokyo, a three-day Ministerial Meeting of the General Agreement on Tariffs and Trade (GATT) is underway to launch new multilateral trade negotiations. The two events are inextricably linked, for trade legislation is necessary to provide the authority for the U.S. to participate in the trade negotiations. Without the participation of the U.S., there will be no negotiations.

My remarks today will attempt to give you a status report on the trade bill and on the trade negotiations.

I

The Ways and Means Committee has been seized with the Administration's trade bill since it began public hearings on May 9, 1973. Fifteen volumes of testimony were heard from 18 Administration witnesses and 342 public witnesses including spokesmen for 62 industries from aluminum to zinc.

Since public hearings were concluded on June 15, the Ways and Means Committee has been engaged in the "markup" of the bill. Original predictions that the bill would be voted on by the House of Representatives before it took its month-long summer recess on August 3, gave way to predictions that it would at least be reported out of Committee by the August 3 recess. That target also proved to be unattainable. The latest predictions by the Committee are that it will complete its work on the bill by the end of September and the House will act on the bill some time in October.

It may be that the Committee will meet its latest target. If so, the odds are that the trade bill will be scaled down from the bill proposed by the Administration. Realistically, however, I would not predict final Congressional passage of the trade bill in 1973.

What has happened to make the progress of the trade bill so much slower than expected, or, at least, predicted?

The most widely-heard view in Washington is that the illness, and resulting frequent absence, of the distinguished Chairman of the Ways and Means Committee, Wilbur Mills, has left the Committee without effective leadership. I believe that this is only part of the reason. A much more fundamental reason lies in the fact that there does not appear to exist a sufficiently strong body of opinion that feels that a trade bill is necessary or urgent while at the same time varying degrees of opposition to the trade bill as proposed by the Administration exist.

II

A large part of the attitude of the American businessman today is summed up in a far-reaching article by Charles Bluhdorn, Chairman of Gulf and Western Industries, in the September 1 issue of *Business Week*. Bluhdorn's article is entitled "A Case for American Nationalism". His thesis is that "in these times of international crisis, the U.S. must first and foremost look out for its own interests." He is sharply critical of Americans for being "spendthrifts at home as well as philanthropists abroad," and of the Nixon Administration for its 1973 economic stabilization programs and its second dollar devaluation which, he says, made wheat cheaper for the Russians and oil more expensive for the U.S. Ultimately, he feels, "the answer to all our present problems is that we must find ways to restore faltering confidence in our economic system, in our government, in our leadership."

It is against this kind of attitude, which my conversations with businessmen indicate is not unique with Mr. Bluhdorn, that the trade bill is finding tough going.

Let us look at some specifics.

The Administration's trade bill is designed to provide new authority to the Executive Branch to undertake a new round of trade negotiations. The last such negotiations in the Kennedy Round saw U.S. tariff duties reduced an average of 35%.

But many feel, correctly or not, that the U.S. did not receive reciprocity in the Kennedy Round, that tariff concessions granted to the U.S. have been negated by other countries' nontariff barriers, and that the tariff reductions made by the U.S. in the Kennedy Round were a major cause of the trade deficit of recent vintage.

The Administration's trade bill would permit unlimited increases or reductions in tariff rates through negotiated agreements. President Nixon has said "We are going to ask Congress for the right for our negotiators to go up or down. Only by going up can one get them (foreign governments) to go down with some of the restrictions they have." The Ways and Means Committee is reported to have decided to limit increases to 50 percent above statutory rates, but has retained the Administration's request for unlimited authority to reduce tariffs.

This "even-handed" approach to tariff rate adjustments is not meaningful. These adjustments must be in the context of trade negotiations. I have difficulty in seeing situations arise where our trading partners would agree in negotiations that the U.S. may raise tariffs.

The Administration's trade bill would provide the Executive Branch with advance authority to implement agreements to do away with certain non-tariff barriers. There are more than 800 of such restrictions used by

countries throughout the world. The Ways and Means Committee is reported to have refused to grant such advance authority to the Administration.

But what about the little-noticed provision in the trade bill that would permit nontariff barriers to be converted into fixed duties at equivalent or higher levels and then be phased down in five installments? Will this provision be used to remove the import quotas which the U.S. maintains on such agricultural products as raw cotton, wheat and wheat flour, sugar and dairy products, or as a replacement for the limitations on steel exports to the U.S. under the Voluntary Restraint Arrangement?

The Administration's trade bill would provide a less restrictive test than at present for invoking the "escape clause" when industries are seriously injured by imports. President Nixon said in his message to Congress on April 10 that "... damaging import surges, whatever their cause, should be a matter of great concern to our people and our government. I believe we should have effective instruments readily available to help avoid serious injury from imports and give American industries and workers time to adjust to increased imports in an orderly way."

In my judgment the promise of relief which the Administration holds out for American industries injured or disrupted by imports through its proposed bill is much greater than what can realistically be expected. The Administration's record in dealing with import problems does not instill confidence in the businessman that he can expect prompt or more effective relief under the proposed legislation than he was able to receive under the existing legislation, the Trade Expansion Act of 1962. Changing the name of the basic legislation from "Trade Expansion" to "Trade Reform" does nothing if the intentions do not exist, notwithstanding the rhetoric to take action when injury occurs or is threatened.

The present legislation on the books since 1962, for example, would permit the Administration to provide import relief for the nonrubber footwear industry. Over two and a half years ago, the Tariff Commission submitted to the President a split decision in an "escape clause" case on nonrubber footwear which President Nixon had initiated, the only President to have initiated such an investigation. There has been no action taken on this decision by the President, affirmatively or negatively, since he received the Commission's report. Yet this industry is steadily "going down the drain" because of inaction on its import problem by the Administration.

In the first half of 1973, the penetration of the domestic market by imported nonrubber footwear rose to 41%. It had been 30% in 1970 when the Tariff Commission made its investigation.

Imports in the first half of 1973 rose by 9% largely as a result of burgeoning imports from the developing countries, such as Argentina, Brazil, Mexico, Taiwan, Korea, Greece and Turkey. In the first half of 1972, nonrubber footwear imports from Argentina were only 60,000 pairs. A year later these imports totaled 1,600,000 pairs. Our devaluation actions have not affected imports from the developing countries which have generally devalued with the U.S.

Production of nonrubber footwear fell by 6.4% at a time when American industry in general is enjoying its greatest peace-time boom. It is anticipated that 1973 production will be the lowest in more than 20 years, perhaps as low as 500 million pairs. Accompanying the decline in output has been a closing of factories (almost 200 net closings since 1968) and a substantial loss of capacity (well in excess of 100 million pairs).

Employment fell by 3% in a year, or about 7,000 jobs, reducing the number of people directly employed by this industry to less than 200,000.

The industry has petitioned, it has entreated, it has literally begged for relief. It has followed the procedures in the law—not only the "escape clause" but also the countervailing duty statute. In two countervailing duty petitions, it has produced evidence that the governments of Spain, Argentina and Brazil are subsidizing their nonrubber footwear industries. But to date, the domestic industry has received no relief of any kind from the Administration.

It is little wonder that those businessmen familiar with the nonrubber footwear situation, and perhaps with similar problems faced by other industries, are skeptical about the Administration's intentions in providing import relief.

The Administration's trade bill revises some of the countervailing duty provisions. One proposed change would set a time limit of one year when the Secretary of the Treasury must make a determination as to whether a foreign subsidy exists.

But the one-year limit would begin when the matter is presented to him by his staff! The Treasury Department staff has been agonizing over a complaint brought by Magnavox against allegedly subsidized TV sets from Japan since at least May 1972. In the Spanish nonrubber footwear countervailing case filed with Treasury in February 1973, Treasury has yet to announce that it is investigating the complaint.

The Administration's trade bill provides authority to retaliate against unfair trade practices of foreign countries. The President said in his April 10 message that he was asking "for a revision and extension of his authority to raise barriers against countries which unreasonably or unjustifiably restrict U.S. exports. * * * I will consider using it whenever it becomes clear that our trading partners are unwilling to remove unreasonable or unjustifiable restrictions against our exports."

But present legislation permits the imposition of import restrictions as a retaliation against unfair practices on agricultural products. Action limited to withdrawal of tariff concessions is permitted under present legislation for non-agricultural products. The Administration has been concerned over the import quotas on agricultural products maintained by Japan which are inconsistent with GATT and over the common agricultural policy of the European Community which has affected our exports. Yet the existing legislation has been invoked only twice in its eleven-year history, both times on agricultural products, but never against Japan's import quotas or the European Community's common agricultural policy. It has never been invoked on non-agricultural products.

There are other provisions in the Administration's trade bill which have evoked concern and opposition. The proposal to extend most-favored-nation treatment to the Soviet Union has generated opposition because of criticism of the Soviet Union's emigration policies. The proposal to permit duty-free entry of industrial products from the developing countries has received opposition from industries which are concerned that these countries with their low labor costs and government programs to assist exports are the ones which create the most disruption in the U.S. market. The AFL–CIO reiterated its opposition to the bill on August 2, 1973, saying that it "provides no specific machinery to regulate the flood of imports. It does not deal at all with the export of U.S. technology and capital to other parts of the world where corporations can maximize profits and minimize costs at the expense of U.S. production and jobs. It does nothing to close the lucrative tax loopholes for American-based multinational corporations which make it more profitable for them to locate and produce abroad."

It is against this background that the trade bill is wending its way through Congress.

III

It has been more than six years since the Kennedy Round was concluded. Since then we have seen many significant developments affecting the world economy: the expansion of the European Community from six to nine member states; the development of trade deficits by the United States; a series of monetary crises leading to two devaluations by this country and revaluations by Germany and Japan; the latter's emergence as a world economic power; growing energy crises faced by most industrialized countries; the imposition of an import surcharge by the U.S. in 1971 and of export controls on some basic agricultural commodities in 1973; and substantial increases in the export earnings of the developing countries through their exports of raw materials needed so badly elsewhere in the world.

Underway today in Tokyo is a Ministerial Meeting of GATT attended by some 80 nations. The purpose of this meeting is to launch a new round of multilateral trade negotiations. It is expected that a declaration of principles will emerge from the Tokyo meeting to guide the future GATT trade negotiations.

The so-called Tokyo Declaration will deal with further reductions or elimination of tariffs; the lowering or removal of nontariff trade barriers; the need to assist further the development of the developing nations; the elevation of living standards and welfare of the peoples of the world; the institution of safeguards to deal with situations of market disruption arising out of import competition; and the establishment of a Trade Negotiations Committee as the principal negotiating body for the multilateral trade negotiations.

One issue undoubtedly being debated in Tokyo is the interrelation between trade and monetary matters. The multilateral trade negotiations will be taking place concurrently with negotiations to reform the international monetary system, and the question arises as to the harmonization of the two negotiations. The U.S. has been of the opinion that a successful monetary system depends upon governments adopting measures to reduce trade barriers and liberalize trade. The European Common Market has taken the position that there should be no action on trade until decisions have been reached on monetary matters.

There is no question that the Tokyo Declaration will be agreed to by the conclusion of the conference tomorrow after differences have been papered over. The trade negotiations will be launched. They have already been referred to by some as the Nixon Round. A goal of 1975 for conclusion of the negotiations has been recommended by the GATT Preparatory Committee.

The problems ahead for the U.S. in the multilateral trade negotiations will be many and formidable. The benefits which will accrue to the U.S. will depend to a large extent on the philosophy which the U.S. adopts for these negotiations. We may, perhaps, have a clue in the historic speech made by Henry Kissinger in April 1973 in which he spoke of a new Atlantic Charter establishing a new relationship of harmony and cooperation between the U.S., Canada, Western Europe, and Japan. He said that "it is the responsibility of national leaders to insure that economic negotiations serve larger political purposes. They must recognize that economic rivalry, if carried on without restraint will in the end damage other relationships." In referring to the forthcoming trade negotiations, Kissinger said that "the United States intends to adopt a broad political approach that does justice to our overriding political interest in an open and balanced trading order with both Europe and Japan. * * * We see these (trade) negotiations not as a test of strength, but as a test of joint statesmanship."

These are certainly lofty hopes, innovative and challenging. But for the U.S. to enter comprehensive trade negotiations with

an approach which says that international political objectives will transcend economic objectives, can only result in the U.S. again assuming the role of *demandeur*, the role of taking the initiative, of responsibility for a successful outcome, a role which the U.S. has played before in every post-war round of trade negotiations. As commendable as this role might be in terms of international statesmanship, it is also a liability at the negotiating table. The result in the past has been the failure of the U.S. to receive full reciprocity, something which the U.S. was willing to accept because of its desire for foreign policy reasons to see each round of trade negotiations successfully concluded and because of our confidence in our competitive strength and economic well-being.

The time for the U.S. assuming the role of leader in trade negotiations is past. The events of the last half-dozen years should certainly confirm for us today that we are no longer "top dog" in the world economy as we were in the twenty five years after World War II. The United States has displayed considerable initiative in getting the multilateral trade negotiations launched. But if we continue as leader, as *demandeur*, in the months ahead as the negotiations progress, instead of allowing others to play the key role, we will again come out of these negotiations without full reciprocity.

I should add that I am not sanguine that we will let others fill our traditional role. There is concern that no one else cares as much about these negotiations to put itself in the position of leadership that the U.S. occupied in previous trade negotiations. Furthermore, the desire of the Administration before it leaves office to have some major achievements in the international arena along the lines of the initiatives of the Kissinger speech can only lead to a revival of the role which the U.S. previously played. Then we are bound to get a reprise of the tunes of yesteryear.

In this atmosphere it is essential that the business community convey its views to the Congress and the Administration on the shape of the trade bill and the course of the trade negotiations. The public hearings of the House Ways and Means Committee, and later of the Senate Finance Committee, are helpful, but not definitive. I am sure that members of these committees and of the two bodies themselves always welcome receiving views on various aspects of the legislation.

When trade negotiations commence it is important that the government negotiators receive advice at the policy and technical levels from industry. There must be a two-day flow of information, a full opportunity to exchange views and to develop a consensus, and a means to draw upon all national sources for information and expertise. The Chamber of Commerce of the United States has recommended a three-tier system to be part of the trade bill which would provide for the flow of information necessary for sound policy decisions, the participation of qualified people, and a mutuality of responsibility and functions. The Chamber's proposals are highly constructive and, if implemented, should go a long way to improving the chances of a successful negotiation for the U.S.

IV

Thus, the weeks and months ahead as Congress shapes the new trade legislation will have much bearing on the shape of the trade negotiations in the months and years ahead. There is a role for new trade legislation and new trade negotiations. Let us hope that what the American people will receive in Washington and in Geneva will strengthen our country and its economy.

IMMIGRATION LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, I am today introducing eight bills of concern to immigrant Americans in general and of particular importance to Chinese Americans.

The Organization of Chinese Americans, Inc., to which I belong, was formed to bring about strong national input and improved opportunities for Chinese Americans. Its sponsors are aiming to promote active participation in civic and national life and secure justice and equal opportunities for persons of Chinese ancestry.

The purposes of these bills is to repeal two laws that are now obsolete and can be viewed as racially insulting; to make it easier to unite Chinese American families by changing immigration laws, and erase anomalies that have arisen.

Specifically, the eight bills would:

Repeal the "coolie trade" laws, which were originally enacted to correct the exploitive practice of bringing Chinese and Japanese to the United States to be sold or transferred as servants and apprentices in the 19th century. The need for the laws has passed and the word "coolie" carries a demeaning connotation.

Repeal the Bertillon system of identification, which was part of the Chinese exclusion laws. All have been repealed except this section. The system was used at ports of entry to determine race by physical measurements.

Equalize the visa treatment of persons born in either the Eastern and Western Hemispheres.

Make parents of resident aliens eligible for second preference visas.

Make sons and daughters of citizens and resident aliens, as well as spouses and parents, eligible for a waiver of exclusion.

Make sons and daughters of citizens and resident aliens, as well as spouses and parents, eligible for a waiver of deportation.

Enable persons over 50 years of age to take naturalization tests in his own language and waive the literacy test for persons over 60 years of age and who have resided in the United States for at least 20 years.

Permit law-abiding citizens who have resided in the United States continuously since October 3, 1965, to make a record of lawful entry.

Mr. Speaker, the continuation of this legislation is a continual demeaning of very fine, talented, and dignified persons of oriental ancestry.

Senator FONG has introduced a similar series of legislation in the other body. It is my hope that we can pass these bills in both Houses and remove the stigma they carry.

TREATMENT OF SOVIET JEWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, I would like to add my voice to those who are supporting the Mills-Vanik amendment. The importance of passing this legislation has in no way diminished since it was authored many months ago.

Few of my colleagues object to the concept of free and increased trade with the Soviet Union. We do not question the advisability of normalizing relations with this great power. However we do not want this trade carried out at the expense of very basic human rights and freedoms. We cannot turn a deaf ear to two of the greatest champions of human liberty, Andre Sakharov and Alexander Solzhenitsyn. They have warned us that it would be a betrayal of all human rights to grant the Soviet Union credit and investment guarantees and most-favored-nation status. Freedom of emigration is a prerequisite that we must not abandon without extracting a commitment to end the repression now so widely practiced.

Treatment of Soviet Jews has visibly worsened since Mr. Brezhnev's recent visit to Washington. Fewer exit visas are granted. There are more reports of show trials and psychiatric ward sentences. Jews and other "dissidents" are not only forbidden to emigrate, but are harassed and punished inhumanely. This must not be condoned with American dollars. These practices are diametrically opposed to the foundations of our society.

A number of my constituents have been participating in a program of regular telephone calls to Jewish activists in the Soviet Union. The underlying message in every conversation has been:

Our only hope for freedom lies in the passage of the Mills-Vanik legislation.

During one call the Soviet Jew said:

If Mills-Vanik does not pass, you may never hear from us again. There will be a repression more severe than that taking place in Chile.

The East Bay Jewish community recently received a letter from a young Jewish activist in Leningrad, Mrs. Elena Oliker. Her story is a dramatic and tragic example of the denial of human rights in the Soviet Union.

She says that the authorities refused her family the necessary emigration papers:

Claiming that my emigration from the Soviet Union as well as the emigration of my husband and my three-year-old daughter can diminish the power of the Soviet Union. The reason for the refusal is the fact of my work in the Science and Research Institute which terminated more than three years ago. I began to work in the Institute immediately after being graduated from the University being a specialist in the field of pure mathematics, and worked there less than a year and a half until the birth of my child. Also, the last five months which I worked there were five months of a very difficult pregnancy, a time that I practically could not work at all.

And thus, today, I, a 28-year old woman, a mother of a 3-year old child, a mathematician, a person who cannot comprehend technology even on the level of household

appliances, pose a threat to the power and the might of the Soviet Government.

A great many of my husband's and my relatives perished on the front and in the Ghetto during the Great Patriotic War (WWII). The relatives who survived now live in Israel and the inability to live together with them causes great suffering and anxiety. We get up every day and we pray with our thoughts that the next day will be a lucky one and will bring us relief. And every time we alternate between hope and despair when we are called to the OVIR in order for them to inform us that we have again been refused visas. In this one year we have aged ten years. We have lost our knowledge, our competence as specialists, and the constant uncertainty in which we live is destroying us.

Surely we can demand that the Soviet authorities, if they are to obtain special trade benefits from the United States, will adhere to their own signature on the Universal Declaration of Human Rights.

REACTION OF CITIES TO THE PRESIDENT'S HOUSING PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BARRETT) is recognized for 10 minutes.

Mr. BARRETT. Mr. Speaker, earlier this week the U.S. Conference of Mayors testified before the Senate Subcommittee on Housing on pending housing and community development legislation. The principal spokesmen for the conference were Mayor Roy Martin of Norfolk, president of the conference, and Mayor Norman Mineta, the outstanding young mayor of San Jose.

Mayors Martin and Mineta, together with several members of the conference's Legislative Action Committee—Mayors John Lindsay of New York City, Moon Landrieu of New Orleans, Lee Alexander of Syracuse, Stanley Cmich of Canton, Patricia Sheehan of New Brunswick, Tom Bradley of Los Angeles, and Frank Burke of Louisville—met with our Housing Subcommittee after their appearance before the Senate in order to discuss pending legislation in the House. Our discussion with the mayors was a most constructive one. They urged us to act expeditiously on housing and community development legislation so that their cities will be able to continue providing housing and to rebuild and revitalize their communities.

I include Mayor Martin's remarks to us and Mayor Mineta's testimony before the Senate Subcommittee on Housing in the RECORD at the end of my remarks, and urge all Members to give them careful consideration:

OPENING REMARKS OF MAYOR ROY MARTIN, PRESIDENT OF THE U.S. CONFERENCE OF MAYORS, TO MEMBERS OF THE HOUSE HOUSING SUBCOMMITTEE, OCTOBER 3, 1973

Mr. Chairman and members of the Subcommittee. On behalf of the Legislative Action Committee for the United States Conference of Mayors, I want to thank you for meeting with us for a moment during what we know is another very busy day for you. We don't want to keep you very long because we know that the Urban Mass Transit legislation is on the floor of the House this afternoon and we most certainly do not want to keep you from that important action.

As you know, we have just finished appearing before your counterpart Committee on the Senate side. Our urgent message to the Senate Committee and our urgent message to you here is that Congress must move as quickly as possible on the pending housing and community development legislation. The cities represented here today, along with many other cities around the country, have suffered through a number of years of delays and impoundments. The various programs which your Committee has designed over the years have made it possible for us to do some important things locally. In the process, of course, we have built up a capacity to plan and manage these programs.

Unfortunately, the uncertainty and frustration created by the current situation is making it nearly impossible for us to hold this local capacity together. We very badly need to know—as quickly as possible—where the national government intends to go on these programs.

So, message number one is that we urge you to move ahead as fast as you can on legislative schedule. As you know, we are in very strong support of your community development block grant bill. Enactment of that bill will make it possible for us to pick up momentum again with our local efforts. We stand ready to help you in any way we can to get that bill passed.

On housing, I am sure you share our disappointment with the lack of firm direction coming out of the Administration's bill. The important point now is to get going with something all parties can accept. We have looked at the Barrett/Ashley bill in some detail by now and we think it presents a number of exciting improvements in the system, particularly as regards our attempts locally to pull together comprehensive, unified housing and community development activities. We would like to give you whatever help we can in moving that proposal forward as well.

The other members of our Legislative Action Committee present will each want to say a word or two. Let me conclude by re-emphasizing how critical we feel it is that your Committee act as speedily as possible on these two important measures for housing and community development.

STATEMENT OF NORMAN MINETA, SAN JOSE, CALIF., COCHAIRMAN, U.S. CONFERENCE OF MAYORS COMMUNITY DEVELOPMENT COMMITTEE, BEFORE THE SENATE SUBCOMMITTEE ON HOUSING

COMMUNITY DEVELOPMENT BLOCK GRANT

Gentlemen: As Chairman of the U.S. Conference of Mayors Community Development Committee, I can tell you that for the past three years the number one priority of that Committee has been the development of a Community Development Block Grant.

As Mayor and as the Committee Chairman, I can assure you that we cannot afford any additional delay in the development of such a consolidated grant program.

Programmatically we are ready for the advent of the community development block grant.

The need for the activities which such a program supports is approaching desperation in many communities.

Further, in our judgment, the obstacles blocking obtaining another year's funding for the existing programs seem insurmountable.

We are dependent upon this Committee to act now. As the Committee knows, we prefer, on many of the key points, the Congressional as opposed to the Administration versions of the Community Development bills.

HOUSING

In the area of housing, the U.S. Conference of Mayors supported the Senate bill last year. It was a good reform measure for the existing housing programs. We would sustain and support a similar effort again this year. However, this year we would urge the Committee to consider including in such an omnibus housing bill two items:

1. Programmatic linkages which operate both at the national and local levels between the local housing programs and the local community development programs.

2. Provisions which would permit DHUD to allocate housing units to local governments based on local needs as set forth in locally developed multi-year housing plans.

Mr. Chairman, your bill, S. 2182, would be a great step forward toward providing the local flexibility which we need in this area.

REACTION TO THE ADMINISTRATION'S HOUSING LEGISLATION

Let me capitalize my reaction to the President's housing message and S. 2507 by saying that I am discouraged that, after so much study and so long a delay, so little came forth. We had expected on September 7 to see a specific set of proposals. None came forth.

After looking at the legislation we are disturbed that the President is proposing that Congress acknowledge as a matter of national policy that the housing programs have failed; that he is asking the Congress to adopt in advance a housing allowance program the details of which we have not even seen; and furthermore, that he proposes abandoning the national housing goals.

The substance of the President's message and the legislation do not warrant taking more of this Committee's time. However, I have appended a separate statement on my reaction.

Mr. Chairman, in conclusion let me say that today you have before you a group of anxious, concerned and frustrated city officials who are extremely worried that they may be caught in the middle of a power struggle between the Congress and the Administration—a struggle which may ultimately produce nothing in terms of legislation but which will most certainly damage our capacity to deliver services.

APPENDIX TO STATEMENT OF NORMAN MINETA, MAYOR, SAN JOSE, CALIF., OCTOBER 3, 1973

THE ADMINISTRATION'S HOUSING INITIATIVES

The inadequacies of the President's September 19, 1973 housing message as it relates to the national need for subsidized housing have been widely reported.

The limitation of new approvals of needed subsidized housing to 200,000 units ignores the human needs presently existing in cities.

We are asked to accept the promise of further program development—a promise offered on the heels of a production hiatus and a comprehensive study designed to develop a specific set of housing proposals which did not come forth. It is hard for responsible local officials to take such a promise seriously.

The bantering about of the notion of a modest demonstration aimed at the development of a national housing allowance program is a poor substitute for the housing which is needed now. Though I am personally very much in favor of seriously exploring such income maintenance efforts, I have to look with skepticism at such a suggestion when proposed by an Administration which backed away from its own Family Assistance Plan for welfare reform, and when the President in the very text of his housing message hedges his support for the final development of a housing allowance program.

However, the epitomy of the continued foolishness of the Administration's housing efforts has been in its continued use of "failure rhetoric." It has tried to convince the American public that all of the housing programs have been failures. They most certainly have not.

For example, when the Administration suspended the housing programs last January, it claimed it was because "the programs were failures" and attempted to contrive data to support its contentions.

The fact, as any "informed source" knows, is that the decision to suspend the housing programs nine months ago was based on budgetary considerations, not programmatic ones.

Let me say that no one knows the ravages of inflation better than a mayor who has to try and reconcile skyrocketing street surfacing and public works construction costs with a basically unresponsive, inelastic tax base. We are as concerned with inflation as anyone. But why is it necessary to cloud a budgetary issue with inaccurate and demeaning rhetoric about the nation's community development and housing programs?

Budget cutting is a decision on priorities. Surely our nation—the Administration and Congress—is sophisticated enough to be able to debate the priorities between the need for subsidized housing and the need for the Trident missile system without the Administration resorting to innuendo and inaccuracy regarding the merits of our past national housing efforts to win its point.

The current chapter in the Administration's effort to demean the housing programs is to be found in the "findings and purposes" section of S. 2507, which was introduced on Monday, October 1, 1973 by Senator Tower.

It asks the Congress to ratify as national policy the conclusions that:

(1) the Federal subsidized housing programs *have not* made an adequate contribution towards attaining "a decent home in a suitable living environment for every American family" since that goal was established 25 years ago;

(2) current Federal housing subsidy programs are wasteful and inequitable because they concentrate on the construction of new housing for an arbitrarily selected, very small percentage of families who need assistance;

(3) current Federal housing subsidy programs often ignore the potential of utilizing available safe and sanitary existing housing; and

(4) current programs tend to produce a concentration of families living in substandard housing and to deprive them of the enjoyment of the benefits of federal housing assistance in units of their own choosing.

These conclusions completely miss the point that, contrary to the current popular belief in the White House and OMB, the housing and community development programs that have been made available to cities by the Federal government have been appropriate for the jobs they were designed to perform. Given the fragmented objectives and limited funding of some of these programs, they have indeed achieved monumental success. That is not to say there have not been individual abuses and problems. There have. But it is in error to declare a program a failure for not housing everyone if its funding is inadequate to do so, or to cry "worthless" if a single-purpose program does not solve all of America's multi-faceted housing and community development needs. What is needed is to reform our housing programs to make them more comprehensive.

The Administration bill further would require the Congress to go on record in advance in favor of housing allowances prior to seeing any experiments or demonstrations. It is doubtful that the Congress would be willing to do so.

The Administration's bill states in the preamble that "the most promising way to enable all families to obtain decent housing at acceptable costs appears to be direct cash assistance." While I agree with the housing allowance concept, I cannot overlook the pressing demand for adequate housing in our cities. As responsible municipal officials we cannot afford to sacrifice the immediate housing needs in our communities to a vaguely defined concept to which the President has already failed to give his unqualified endorsement.

Finally, the preamble of the Administration's bill eliminates the ten year housing goal contained in the 1968 Housing Act. Given the delays, impoundments and frustrations created by the Administration's actions in recent years, I acknowledge that reaching the 1968 goals will be difficult. However, I would hope that the Congress will keep the 1968 National Housing Goals intact so that we might be able to use the originally achieyable goals as a yard stick against which we can measure the value of the alleged improvements which the Administration is proposing or hopes to propose.

If significant improvements in providing housing are developed, then perhaps the hiatus in housing production which we are being asked to endure will be worth it. But let us keep the formerly achievable goals intact so that we can have an objective comparison against which we can measure the value of the Administration's current efforts.

The Administration's housing efforts, however, *have* produced something of considerable potential value. I am referring to the Task Force studies which have been conducted by HUD over the past several months.

Given the considerable talent that HUD staff possesses, I find it impossible to believe that the products of their many months of study regarding the need to make improvements in the current housing programs are represented by the President's message and S. 2507. Instead I suggest that the products of their efforts constitute an untapped source of salient data and findings which a positively motivated Congress could apply with great national benefit to the task of developing the reforms which are needed in the housing area.

Accordingly, I respectfully suggest that the appropriate Senate and House Committees, utilizing the provisions of the Freedom of Information Act if necessary, obtain the original unexpurgated task force reports and findings and apply them to the task of designing house programs which will in fact meet our contemporary housing needs.

COMPUTERIZED CARPOOL SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 10 minutes.

Mr. TIERNAN. Mr. Speaker, yesterday I introduced legislation to authorize the General Services Administration to implement and coordinate on a national level a computerized carpool service. This bill would authorize the GSA to disseminate information to all employees working within concentrated areas concerning the benefits of a computerized carpool program. The GSA branch offices would then collect and process the data of those who desire to be matched with a carpool and would then send out lists of 8 to 10 individuals with addresses and telephone numbers. Each list would be composed of commuters who have the same departure and arrival times and the same grid area of home and work. The actual arrangements are then left to the individual once the computerized matching service has been offered to them.

The General Services Administration owns computers or has access to computers and personnel in every major city in the Nation thus making this agency the ideal coordinator and administrator of a commuter matching service. The problem in getting people to commute by carpool is not that they do not want to, but that there is no convenient way to help these commuters get together. People by themselves have not taken the initiative, so we as their elected officials must use the agencies at our disposal to aid the millions of commuters in helping themselves solve the problems of energy, pollution, and transportation—at a very minimal cost.

Some would push off this much needed change on the local governments. Such a narrow and irresponsible view refuses to recognize the economic ramifications of the inefficient and needless practice of a single passenger occupancy rate in commuter vehicles. A study team from the Highway Users Federation found that in major metropolitan areas the average automobile occupancy for work trips to downtown is now 1.6 persons per vehicle. If automobile occupancy could be increased from the present average of 1.6 persons per vehicle to 2 per vehicle, 20 percent of the motor vehicles would be removed from rush hour traffic. If vehicle occupancy were increased to an average of 3.2 passengers per automobile there would be a 50-percent reduction in the number of vehicles on the highways.

Such an increase in the number of passengers per vehicle would result in tremendous gasoline savings and a reduction in the pollution levels of our cities. Positive results have been proven feasible by the National Aeronautics and Space Administration here in the District of Columbia. Through its computerized carpool program NASA has increased car occupancy among employees to an average 3.85 persons per car.

Private industry has also shown concern with the commuter dilemma: in St. Louis, McDonnell Douglas Corp. promoted carpooling for the firm's 47,000 employees when parking became critical. This program has increased car occupancy among workers to an average of 2.8 persons, double the former rate.

In my own district an innovative firm, Textron, Inc. has initiated a program to cut down the number of automobiles on the highway and thus help to meet Clean Air Act emission standards, conserve gasoline supplies, help solve traffic congestion, and reduce the amount of city land area allocated unproductively to parking facilities. Textron's program purchases bus tokens and offers them half price to their employees in an attempt to offer an incentive to use mass transit. Textron's plan is one example of the positive action taken by responsible American businesses in realizing the need for the participation of the citizenry in mass transit and carpool programs.

In dealing with a program of carpooling the recurring ingredient to success is incentives. My bill stipulates that the GSA Administrator may cooperate only with an applicant when it has been shown that "the applicant is attempting to encourage carpooling by the use of incentives such as special parking privileges."

The mayor of Providence, Joseph A. Doorley, has offered the use of municipal parking lots for carpools of three or more passengers at a very minimal cost.

Mayor Doorley's initiative has not been an easy decision as he has met some stiff opposition from commuters who have no way of finding carpooling passengers. The mayor's incentive program relies solely on chance. Through my legislation we could offer Mayor Doorley and the mayors throughout the Nation the proven method and means of offering computer matching information to the commuters who voluntarily request this service.

Unfortunately there are only a few isolated private projects. Yet these projects illustrate the dramatic results that are possible once the commuter has been given the initiative. The Federal Government through the extensive facilities of the General Services Administration has the potential to effect remarkable cures to a variety of current problems through a very simple program if we as legislators authorize my projects.

The benefits of this program are that:

First. A carpool program requires virtually no capital investment;

Second. There are no major legal or institutional barriers to overcome;

Third. The impact of a successful program can be immediate and dramatic;

Fourth. A successful area wide carpool program can reduce the need for construction of new transportation facilities;

Fifth. Our cities' land use problems would greatly benefit from the considerable reductions of commuter automobiles. The need for unsightly and nonproductive parking facilities on extremely valuable land areas would be minimized;

Sixth. Fuel savings will lessen the impact of the energy crisis. A recent study by an energy consultant for the Treasury Department has found that increasing carpools for job commuting from 1.3 to 2.3 persons per car would save 200,000 barrels of gasoline a day. Assuming a price of $5 per barrel this would save $1 million per day on our balance of payments schedule;

Seventh. The Clean Air Act emissions standard deadlines within our cities can be met by a concerted effort of cooperation between government services and concerned citizens;

Eighth. The ingredient of incentives is a built-in component to the program in this time of inflationary belt-tightening as the cost of a 10-mile commuter trip for one passenger of $2.64 can be cut to 66 cents with 4-passenger occupancy and 44 cents with a car occupancy of six; and

Ninth. A well organized computerized carpool program would offer a positive action on the part of government in suggesting to people what they can do to alleviate the problems of environment, energy shortage, traffic congestion, and limited urban parking facilities instead of the steady stream of repressive mandates of what the citizens cannot do.

The benefits of a nationally organized computerized carpool service are immense. A multiplicity of our urban problems can be affected through the implementation of this one program of concerted cooperation between our Nation's Government and commuting citizens.

It is my hope that each and every Member of this body join me in cosponsoring this legislation.

EPA DISTRIBUTES POLLUTION CONSTRUCTION MONEY INEQUITABLY AND ILLEGALLY, RESOLUTION WOULD RECTIFY ERROR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 15 minutes.

Mr. MATSUNAGA. Mr. Speaker, in 1972 Congress appropriated $1.9 billion to reimburse States partially for the costs of constructing sewage-treatment plants where construction began between mid-1966 and mid-1972.

The total amount for which the Federal Government would be liable under the Water Pollution Control Act Amendments of 1972 is about $2.4 billion. Section 206(d) of the new amendments provided that, in such cases, available funds were to be divided proportionally among all States with certified need. In the current year, therefore, States had reason to expect they would receive about 80 percent of their entitlement for the Federal share of 1966–72 construction.

Disregarding this mandate, the Environmental Protection Agency has established its own different, skewed set of priorities, ignoring the expressed intent of Congress. On June 26 EPA issued regulations that would give to 24 States, including my own State of Hawaii, exactly 0 percent of their established needs. Instead of the $217 million those States expected, EPA seeks to give them nothing. Another 14 States would receive considerably less than the 80 percent guaranteed them under the law.

In total, therefore, 38 States would be forced to bear an unexpected financial burden imposed upon them as the result of a misinterpretation of the law by the agency charged with the responsibility of helping them meet their environmental needs.

On Tuesday, therefore, I introduced a joint resolution to compel EPA to adhere to the clear intent of Congress. My resolution would explicitly require a pro rata distribution of the available funds for projects begun during the period prescribed in section 206(a) of the act. This would permit States which initiated qualified water pollution control projects during the period from mid-1966 through mid-1972 to receive 80 percent of their eligible costs as called for in the act. EPA would be required to come up with new regulations within 30 days of the measure's enactment, and those regulations would be subject to disapproval by either Public Works Committee of Congress. The deadline for filing a list of requested projects by the States would be extended commensurately.

This measure is identical to a resolution introduced last week by Senator JENNINGS RANDOLPH and cosponsored by 34 Senators.

It is truly unfortunate, Mr. Speaker, that the administration could have confused and obfuscated such plain language and such unmistakable intent. It is doubly unfortunate that 38 States which answered the call of Congress to clean up our polluted waters must suffer the uncertainty and doubt which this misinterpretation of law has visited on them. It is clear, however, that Congress must now act to eradicate the unnecessary confusion, so that our communities and States can continue with more reliable Federal support to clean up our waterways and shorelines.

I include the text of the resolution, along with a list of States adversely affected by EPA's proposed regulations, in the RECORD at this point:

HOUSE JOINT RESOLUTION 750

Joint Resolution to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended

Whereas section 206 of the Federal Water Pollution Act, as amended, requires the reimbursement of not less than 50 per centum of the project cost of any publicly owned treatment works on which construction was initiated after June 30, 1966, but before July 1, 1972, or the amount necessary to raise Federal financial assistance to 50 per centum of the cost of such project in the case of any project which had received Federal financial assistance at the time of construction (or 55 per centum if such project was a part of a metropolitan plan);

Whereas section 206 of the Federal Water Pollution Control Act, as amended by Public Law 92–500, was intended to provide equitable funding for all publicly owned sewage treatment works constructed during the period from June 30, 1966, through July 1, 1972, regardless of whether such works received any Federal assistance at the time of construction, were eligible for Federal incentive grants, or were supported in whole or in part by State matching grant or loan program; and

Whereas regulations published by the Environmental Protection Agency pursuant to section 206 are illegal in that they discriminate among projects constructed during this period by failing to allocate appropriated funds equally to each qualified project in the ratio that the unpaid balance of the reimbursement due such project bears to the total unpaid balance to all such projects, as required by subsection (d) of section 206, thereby preventing many States from receiving any of the funds to which they are entitled under this section: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That any regulations published or promulgated by the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended, prior to the date of enactment of this joint resolution are hereby set aside and are declared to be of no legal effect and no moneys appropriated for section 206 shall be distributed in accordance with such regulations.

SEC. 2. The Administrator of the Environmental Protection Agency within thirty days after enactment of this joint resolution shall publish and submit to the Congress regulations implementing section 206 so as to effect an equitable allocation of appropriated funds among all qualified projects on which construction was initiated after June 20, 1966, but before July 1, 1972, as provided in subsections (a) and (d) of section 206.

SEC. 3. Within thirty days of congressional session following the receipt of such regulations, the Committee on Public Works of either House may report a resolution of disapproval of such regulations. If such resolution is adopted by either House, such regulations are disapproved. If not so disapproved,

such regulations shall become effective upon the expiration of the said thirty-day period.

SEC. 4. The Administrator of the Environmental Protection Agency, at the time such regulations are submitted to the Congress, shall notify each State. Within thirty days after such notice each State shall submit to the Administrator a complete list of projects within such State which qualify for reimbursement pursuant to subsection (a) of section 206. Any responses of the States to such notification shall be submitted to the Congress.

SEC. 5. Notwithstanding the requirements of subsection (c) of section 206 of the Federal Water Pollution Control Act, as amended (Public Law 92–500, 86 Stat. 838), applications for assistance under section 206 may be filed with the Administrator of the Environmental Protection Agency until November 18, 1973, and after the effective date of the regulations required under section 2 of this resolution, payments may be made in accordance with section 206 in connection with any application filed by November 18, 1973.

HOW EPA THWARTS CONGRESSIONAL INTENT

	Proposed EPA distribution (estimated)	Proposed distribution under Water Pollution Control Act (estimated)	Difference
Total	$1,912.5	$2,461.1	$548.6
Alabama		13.4	13.4
Arizona		6.0	6.0
Arkansas		7.6	7.6
California		44.6	44.6
Colorado		9.4	9.4
District of Columbia	1.9	59.4	57.5
Florida	10.5	53.8	43.3
Georgia	3.4	62.5	59.1
Hawaii		2.2	2.2
Idaho		1.4	1.4
Indiana	.8	8.5	7.7
Iowa		8.7	8.7
Kansas		8.0	8.0
Kentucky	.5	8.3	7.8
Louisiana		6.6	6.6
Minnesota	12.6	22.5	9.9
Mississippi	.9	5.7	4.8
Missouri		30.7	30.7
Montana		1.8	1.8
Nebraska		2.7	2.7
Nevada		2.7	2.7
New Hampshire	10.8	14.6	3.8
New Mexico		2.3	2.3
North Carolina		21.8	21.8
North Dakota		1.2	1.2
Ohio	55.8	77.9	22.1
Oklahoma		7.5	7.5
Pennsylvania	34.5	67.2	32.7
Rhode Island	.1	.2	.1
South Carolina	.7	17.8	17.1
South Dakota		1.9	1.9
Texas		29.4	29.4
Utah		2.8	2.8
Vermont		.9	.9
Virginia	3.1	20.2	17.1
Washington	.3	21.4	21.1
West Virginia		3.6	3.6
Wyoming		.5	.5

AMERICAN-EGYPTIAN RELATIONS SHOULD IMPROVE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there is significance in the fact that an American construction company has been selected by Egypt to build an oil pipeline bypassing the Suez Canal. The importance of the pipeline to Egypt is obvious. Traversing the area from the Persian Gulf to Alexandria, it will bypass the blocked Suez Canal. For years Egypt relied heavily upon funds obtained from operation of the canal. Inability to use the canal caused oil companies to build supertankers for the long trip around the tip of Africa. The presence of a pipeline will again shorten the haul for oil shipments and it will be welcomed by all shippers.

The Suez may continue to be blocked for an indefinite period and even if opened for traffic it must be restored, and it will be unusable for supertankers unless widened and deepened. This would be a time-consuming project, probably more costly than the pipeline.

The pipeline provides a ready answer to oil distribution problems of the area and lessens the economic importance of the Suez which even if opened could be blocked again by future Arab-Israeli conflicts.

Of major significance to the Western world is the fact that an American firm will build the pipeline. This indicates a potential lessening of tension between Egypt and the United States. It shows also the more conservative influence of King Faisel of Saudi Arabia is being felt by the Egyptian Government above the radical leadership that Libya's al-Qaddafi seeks to exercise in the area. The project was vigorously sought by a European combine headed by the French. Bechtel, an American company based in San Francisco and a specialist in oil installation construction, was selected instead.

This provides a new opportunity to warm up relations between Egypt and the United States which should be followed carefully and promptly. A similar opportunity was offered when the Egyptians expelled the Russians but the United States sat on its hands and did nothing. It is to be hoped the State Department will realize opportunity is beckoning and we should seek to reduce the tension which exists between our countries.

CHANGES IN ALLOWANCES FOR MEMBERS

(Mr. THOMPSON of New Jersey asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 457, 92d Congress, provided the Committee on House Administration the authority to fix and adjust from time to time various allowances of Members of the House of Representatives. Pursuant to this authority the committee has issued orders No. 7, 8, and 9, all of which are effective October 1, 1973.

COMMITTEE ORDER NO. 7

Resolved, that effective October 1, 1973, until otherwise provided by Order of the Committee on House Administration the quarterly allowance for official telephone service outside the District of Columbia for Members, Delegates, and the Resident Commissioner from Puerto Rico is increased from $450 quarterly to $600 quarterly.

COMMITTEE ORDER NO. 8

Resolved, that effective October 1, 1973, until otherwise provided by Order of the Committee on House Administration the quarterly allowance for official office expenses incurred outside the District of Columbia by Members, Delegates, and the Resident Commissioner from Puerto Rico has been increased from $300 quarterly to $500 quarterly.

COMMITTEE ORDER NO. 9

Resolved, that effective October 1, 1973, until otherwise provided by Order of the Committee on House Administration the number of units provided for official telephone calls, telegrams, cablegrams, and radiograms made or sent by, on or behalf of a Member, Delegate, or the Resident Commissioner of Puerto Rico has been increased from 80,000 units to 100,000 units for each regular session of Congress. Such units shall accumulate and be available for use until the aggregate number of such units in the close of each session is not more than 200,000. Unused units in excess of 200,000 at the close of a session may not be carried forward for use in a succeeding session.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. O'NEILL of Massachusetts requests leave of absence for Mrs. HANSEN of Washington, for today, on account of illness.

Mr. O'NEILL of Massachusetts requests leave of absence for Mr. KYROS of Maine, for today, on account of official business.

Mr. O'NEILL of Massachusetts requests leave of absence for Mr. RANGEL of New York, for today, on account of official business.

Mrs. SULLIVAN requests leave of absence for 3 days beginning October 10 on account of committee business in San Francisco.

Mr. HENDERSON of North Carolina requests leave of absence for Mr. TAYLOR of North Carolina, for today, on account of death in the family.

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. GINN) to revise and extend their remarks and include extraneous material:)

Mr. GUNTER, for 5 minutes, today.
Mr. WOLFF, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ADDABBO, for 20 minutes, today.
Mr. FULTON, for 5 minutes, today.
Mr. MEEDS, for 5 minutes, today.
Mr. STARK, for 5 minutes, today.
Mr. BARRETT, for 10 minutes, today.
Mr. TIERNAN, for 10 minutes, today.
Mr. MATSUNAGA, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WHITTEN to revise and extend

his remarks and include excerpts from hearings and other extraneous matter in connection with House Joint Resolution 748.

Mr. ZABLOCKI following submission of conference report on War Powers Act.

(The following Members (at the request of Mr. REGULA), and to include extraneous matter:)

Mr. COLLIER.
Mr. WYMAN in two instances.
Mr. CONTE.
Mr. SHUSTER.
Mr. BURKE of Florida.
Mr. FORSYTHE.
Mr. MCKINNEY.
Mr. ZWACH.
Mr. GILMAN.
Mr. HUDNUT.
Mr. DERWINSKI in two instances.
Mr. SMITH of New York.
Mr. DUNCAN.
Mr. CRANE in five instances.
Mr. WALSH.
Mr. FREY.

(The following Members (at the request of Mr. GINN) and to include extraneous material:)

Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. SARBANES in five instances.
Mr. PATTEN.
Mr. LITTON.
Mr. DULSKI in six instances.
Mr. FUQUA.
Mr. STARK.
Mr. RODINO.
Mr. STUDDS in two instances.
Mr. WALDIE in two instances.
Mr. EDWARDS of California.
Mr. ANDERSON of California in two instances.
Mr. DE LUGO.
Mr. HARRINGTON in three instances.
Mr. ST GERMAIN.
Mr. EVINS of Tennessee.
Mr. PREYER.
Mr. ROGERS in five instances.
Mr. O'NEILL.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 753. Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval a joint resolution of the House of the following title:

H.J. Res. 753. Making further continuing appropriations for the fiscal year 1974, and for other purposes.

ADJOURNMENT

Mr. SATTERFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. In accordance with House Concurrent Resolution 321, 93d Congress, the Chair declares the House adjourned until 12 o'clock noon on Tuesday, October 9, 1973.

Thereupon (at 3 o'clock and 12 minutes p.m.), pursuant to House Concurrent Resolution 321, the House adjourned until Tuesday, October 9, 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:

1425. A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' Home for fiscal year 1972 and the report of the annual general inspection of the home for 1973, pursuant to 24 U.S.C. 59 and 60; to the Committee on Armed Services.

1426. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for amendment of the Jury Selection and Service Act of 1968, as amended, adding further definitions relating to jury selection by electronic data processing; to the Committee on the Judiciary.

1427. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for civil penalty and injunctive relief in the event of a discharge or threatened discharge of an employee for the reason of such employee's Federal jury service; to the Committee on the Judiciary.

1428. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to extend the period for administrative review of certain Customs protests; to the Committee on Ways and Means.

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. BOLLING: Committee on Rules. House Resolution 581. Resolution providing for the consideration of H.R. 9682. A bill to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the 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 (Rept. No. 93–546). Referred to the House Calendar.

Mr. ZABLOCKI: Committee on Foreign Affairs. Conference report to accompany House Joint Resolution 542; with amendment (Rept. No. 93–547), Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE 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. DANIELSON: Committee on the Judiciary. H.R. 6119. A bill for the relief of Arturo Robles with amendment (Rept. No. 93–545). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 6979. A bill for the relief of Monroe A. Lucah (Rept. No. 93–542). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 9276. A bill for the relief of Luther V. Winstead: with amend- (Rept. No. 93–543). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 9276. A bill for the relief of Luther V. Winstead; with amendment (Rept. No. 93–544). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself and Mr. CULVER):

H.R. 10737. A bill to prohibit discrimination on the basis of sex or marital status in the granting of credit; to the Committee on Banking and Currency.

H.R. 10738. A bill to provide a comprehensive child development program in the Department of Health, Education, and Welfare; to the Committee on Education and Labor.

By Ms. ABZUG (for herself and Ms. HOLTZMAN):

H.R. 10739. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ARCHER:

H.R. 10740. A bill to amend various laws relating to housing and urban development so as to repeal the provisions which presently require compliance with the Davis-Bacon Act in the conduct of federally financed activities thereunder; to the Committee on Banking and Currency.

H.R. 10741. A bill to repeal the Davis-Bacon Act; to the Committee on Education and Labor.

H.R. 10742. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

H.R. 10743. A bill to amend title 38 of the United States Code to require the Veterans' Administration to provide hospital and medical care to any veteran, and under certain circumstances to the spouse or child of any veteran, for drug dependency; to the Committee on Veterans' Affairs.

By Mr. ASHLEY (for himself, Mr. DANIELSON, Mr. FRASER, Mr. HECHLER of West Virginia, Mr. MITCHELL of Maryland, and Mr. SEIBERLING):

H.R. 10744. A bill to regulate commerce and conserve gasoline by improving motor vehicle fuel economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWEN:

H.R. 10745. A bill to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. BRINKLEY:

H.R. 10746. A bill to provide for a comprehensive, coordinated 5-year research program to determine the causes of and cure for cancer, to develop cancer preventative vaccines or other preventatives, and for other purposes; to the Committee on Ways and Means.

By Mr. BROWN of Ohio:

H.R. 10747. 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. COCHRAN:

H.R. 10748. A bill to provide for the addition of certain lands to the Natchez Trace Parkway in Mississippi, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOWNING:

H.R. 10749. A bill to amend title 38 of the United States Code in order to exclude certain social security payments in determining annual income for purposes of paying non-service-connected disability pension to veterans; to the Committee on Veterans' Affairs.

H.R. 10750. A bill to amend section 228 of the Social Security Act to provide that an uninsured individual who is permanently and totally disabled (and has attained age 72) may become entitled to monthly benefits thereunder at any time, without regard to coverage and without any reduction for governmental pensions; to the Committee on Ways and Means.

By Mr. EILBERG:

H.R. 10751. A bill to amend the Higher Education Act of 1965 to remove the needs provision for families with incomes less than $15,000 a year from the student loan subsidy provision of that act; to the Committee on Education and Labor.

H.R. 10752. A bill to treat certain service by Federal employees in international organizations as leave without pay; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, Mr. DIGGS, and Mr. O'BRIEN):

H.R. 10753. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

By Mrs. GRIFFITHS (for herself, Mr. CORMAN, and Mr. LEHMAN):

H.R. 10754. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. GUNTER (for himself, Mr. BAFALIS, Mr. BERGLAND, Mr. BROWN of California, Mr. CONTE, Mr. CONYERS, Mr. DAVIS of Georgia, Ms. GREEN of Oregon, Mr. HANSEN of Idaho, Mr. MATHIS of Georgia, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. RIEGLE, Mr. ROSE, Mr. SARBANES, and Mr. SEIBERLING):

H.R. 10755. A bill to prohibit the importation into the United States of meat or meat products from livestock slaughtered or handled in connection with slaughter by other than humane methods; to the Committee on Agriculture.

By Mr. HANSEN of Idaho:

H.R. 10756. A bill to amend the Internal Revenue Code of 1954 with respect to the amount deductible in the case of casualty losses of timber; to the Committee on Ways and Means.

By Mr. JOHNSON of Pennsylvania:

H.R. 10757. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates prescribed by that act, to expand employment opportunities for youths, and for other purposes; to the Committee on Education and Labor.

By Mr. LITTON:

H.R. 10758. A bill to amend the Economic Stabilization Act of 1970 to exempt stabilization of the price of fertilizer from its provisions; to the Committee on Banking and Currency.

By Mr. MEEDS:

H.R. 10759. A bill to repeal the "cooly trade" laws; to the Committee on the Judiciary.

H.R. 10760. A bill to amend the Immigration and Nationality Act to remove the distinction between Eastern and Western Hemisphere immigrants, to establish an immigration ceiling, and for other purposes; to the Committee on the Judiciary.

H.R. 10761. A bill to amend the Immigration and Nationality Act to provide that parents of permanent residents be eligible to file for the second preference category; to the Committee on the Judiciary.

H.R. 10762. A bill to repeal the Bertillon System of Identification; to the Committee on the Judiciary.

H.R. 10763. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to waiving the exclusion from the United States for fraud; to the Committee on the Judiciary.

H.R. 10764. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provisions relating to exclusion from deportation of aliens excludable for fraud; to the Committee on the Judiciary.

H.R. 10765. A bill to amend section 312 of the Immigration and Nationality Act with respect to certain tests for naturalization; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 10766. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pensions 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. MIZELL (for himself, Mr. BAFALIS, Mr. BAKER, Mrs. BURKE of California, Mr. DON H. CLAUSEN, Mr. COCHRAN, Mr. GINN, Mr. HAMMERSCHMIDT, Mr. MILFORD, Mr. ROE, Mr. TAYLOR of Missouri, and Mr. ZION):

H.R. 10767. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. MIZELL (for himself, Mr. BURGENER, Mr. BROWN of California, Mr. BRINKLEY, Mr. CAMP, Mr. COLLINS of Texas, Mr. DANIELSON, Mr. DEVINE, Mr. DUNCAN, Mr. FREY, Mr. FROEHLICH, Mr. GOLDWATER, Mr. GUYER, Mr. HELSTOSKI, Mr. HILLIS, Mr. HUNGATE, Mr. HUNT, Mr. ICHORD, Mr. KEATING, Mr. KETCHUM, Mr. LATTA, Mr. LOTT, Mr. MATHIAS of California, Mr. MILLER, and Mr. MONTGOMERY):

H.R. 10768. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. MIZELL (for himself, Mr. MYERS, Mr. PRICE of Texas, Mr. SIKES, Mr. SPENCE, Mrs. SULLIVAN, Mr. TEAGUE of California, Mr. THONE, Mr. VEYSEY, Mr. WYLIE, Mr. YOUNG of Florida, and Mr. YOUNG of South Carolina):

H.R. 10769. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. PICKLE:

H.R. 10770. A bill to provide for the establishment of an American Folk Life Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. QUILLEN:

H.R. 10771. A bill to amend the Wild and Scenic Rivers Act by designating the Nolichuckey River in Tennessee and North Carolina for study as a potential addition to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself and Mr. DAVIS of Georgia):

H.R. 10772. A bill to establish a loan program to assist industry and business in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SMITH of Iowa (for himself, Mr. PICKLE, Mr. ECKHARDT, and Mr. ROY):

H.R. 10773. A bill to authorize the Secretary of Transportation to provide mass transportation assistance essential for the movement of basic commodities and energy resources to and from production areas and major distribution and processing centers; to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER:

H.R. 10774. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates prescribed by that act, to expand employment opportunities for youths, and for other purposes; to the Committee on Education and Labor.

By Mr. STEIGER of Wisconsin:

H.R. 10775. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes; to the Committee on Education and Labor.

By Mr. STEELE:

H.R. 10776. A bill to amend title 10, United States Code, to restore the systems of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. WALDIE:

H.R. 10777. A bill to amend section 312 of the Immigration and Nationality Act with respect to certain tests for naturalization; to the Committee on the Judiciary.

H.R. 10778. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to exclusion from deportation of aliens excludable for fraud; to the Committee on the Judiciary.

H.R. 10779. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to waiving the exclusion from the United States for fraud; to the Committee on the Judiciary.

H.R. 10780. A bill to amend the Immigration and Nationality Act to provide for recording of admission for permanent residence in the case of certain aliens who entered the United States prior to October 3, 1965; to the Committee on the Judiciary.

By Mr. WYATT (for himself, Mr CEDERBERG, Mr. VEYSEY, Mr. DON H. CLAUSEN, Mr. HINSHAW, Mr. PETTIS, and Mr. ROUSSELOT):

H.R. 10781. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. WYMAN:

H.R. 10782. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products; to the Committee on Banking and Currency.

By Mr. YOUNG of Illinois:

H.R. 10783. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other

purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10784. A bill to amend the Securities Exchange Act of 1934, and for other purposes; to the Commitee on Interstate and Foreign Commerce.

By Mr. YOUNG of Alaska (for himself, Mr. TOWELL of Nevada, Mr. FROEHLICH, Mr. BOB WILSON, and Mr. BAUMAN):

H.R. 10785. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. ZWACH:

H.R. 10786. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for the use of excess property by certain grantees; to the Committee on Government Operations.

By Mr. ROONEY of Pennsylvania:

H.R. 10787. A bill to create a National Landlord and Tenant Commission, to establish housing courts, and to define or to provide therefor, the rights, obligations and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on the Judiciary.

By Mr. EILBERG:

H.J. Res. 754. Joint resolution establishing an independent commission to conduct a study of the Executive Office of the President and to make recommendations for reforms to increase cooperation between that Office and the Congress, to restore a balance of power between the executive and legislative branches of the Government, and to increase the accountability of the Executive Office of the President to the Congress and the public; to the Committee on Government Operations.

By Mr. FISH:

H. Con. Res. 331. Concurrent resolution calling for action by the United States with regard to the Schoenau processing center in Austria; to the Committee on Foreign Affairs.

By Mr. HUBER (for himself and Mr. CLEVELAND):

H. Con. Res. 332. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. BIESTER:

H. Res. 579. A resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the 1973 pricing policies and profit margins of the major oil companies; to the Committee on Rules.

By Mr. ZION:

H. Res. 580. A resolution directing the Committee on the Judiciary to conduct an investigation into certain charges against Spiro T. Agnew; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Illinois introduced a bill (H.R. 10788) for the relief of Walma T. Thompson, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

307. The SPEAKER presented a petition of Atico A. Querijero, Baler, Quezon, Philippines, relative to redress of grievances; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

CONGRESSIONAL BUDGET REFORM OPPORTUNITIES AND PITFALLS

HON. FRANK E. MOSS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Thursday, October 4, 1973

Mr. MOSS. Mr. President, this week the Government Operations Committee is beginning consideration of S. 1541, the Federal Act To Control Expenditures and Establish National Priorities, with the intention of bringing legislation to the floor this month.

This is, therefore, an appropriate time for each of us to be expressing our concern over the need for improving the congressional budget process and over the pitfalls that could spell either an abortive attempt at reform or a system that is worse than the one that afflicts us today.

The distinguished Senator from Florida (Mr. CHILES), who has been an active participant in budget reform, recently spelled out his views in a speech before the Southern Governors' Conference. I believe his remarks are a valuable stimulus for thinking as this momentous legislation moves forward. I ask unanimous consent that his speech be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATORS LAWTON CHILES OF FLORIDA BEFORE THE 39TH ANNUAL MEETING OF THE SOUTHERN GOVERNORS' CONFERENCE

I think that most would agree that today we are going through a period of accelerated transition in every facet of our lives. One of the surest signals of that transition in government is the current movement to reform the federal budgeting process. The administration, through its attitudes and actions, has forced a mirror in front of the Congress, and we can not help but take a hard look at ourselves and reassess our ability to hold up our end of the constitutional bargain. There are those who are quick to mention that in other times the Congress has looked away, not wanting to confront its own image or suffer the agonizing self-appraisal of its most dearly held traditions and procedures.

But these are not other times.

These are not other situations.

Not since the budgeting and accounting act of 1921 has there been so serious a movement to reconstitute federal budgeting. And nothing less will do because our out-dated budget habits are causing deadly serious repercussions.

First, they're building a burden of inflation that's breaking the back of every taxpaying citizen in this country. Every dollar of the $70 billion deficit run up over the last 3 years is coming back to haunt us at the supermarket and hardware store.

Second, the current budget process has created the most serious strains in balance of constitutional powers that any of us has ever seen. As a means to the end of combatting inflation, one man has sought to dictate which public needs are met, what monies are spent and which congressional appropriations are "inoperative."

And third—the subject that concerns us here today—the federal budget process is wreaking havoc with planning and programs—at the federal level, at the state level and at the local level.

Before discussing the status of Federal budget reform, I'd like to spend a moment to give you my impression of just how serious an impact Federal budgeting defects are having on the States.

Federal aid accounts for about one dollar in every five spent by State and local governments. As each State commits itself to plans and programs, hires people and lets contracts, however, 20% of the needed resources remain an unknown quantity. When financing will be available, for what programs and in what amounts have become unanswerable questions until well into the fiscal year. From the outset, States (and the Congress, too I might add) have no access to the formulation of the budget as it's orchestrated by the Office of Management and Budget. And after the budget is delivered to the Hill, Congress tries to digest the budget through a ponderous series of authorizations and appropriations that still do nothing to clarify what the States can expect until well into the fiscal year. The delays leave the States between a hell of anxiety and a high water of frustration, not knowing how much will be forth-coming or when for highway construction, pollution control, health care, social services, and the gamut of categorical grant programs.

Nowhere is the damage more painful than in education. Last month, the Comptroller General reported that nearly 60% of the money authorized or planned to be spent under revenue sharing was to be directed toward education. And although I would have supported further general and special revenue sharing, Congress never had the chance to deal with any concrete proposals so that revenue sharing is a dying proposition. What we've got is all talk and no funding for 18 months. Meanwhile, Congress takes late action on impact aid, OMB holds up money, State plans for school construction and audio-visual equipment are left hanging and we're a month into the school year.

To sum up the situation as it now stands—in simple terms—the States of the Union are being discriminated against. Not only must they take a back seat in the Federal budget bus, but the bus is always late and you don't know where you're going until it's on its way. Each State has a vital vested interest in seeing effective budget reform enacted.

Enough on the problems. We all know them too well. What has to engage our energy now is *solving* them, taking inventory of how far we've progressed to date, and the prospects. In an overview sense, this is the way the reform efforts stand: today:

No fewer than 67 Senators have either authored or co-sponsored budget reform legislation, some of which has been included in Senate bill 1541, the "Federal act to control expenditures and establish national priorities." The Senate government operations committee will begin hearing next month on this bill as well as those that have not yet been incorporated.

In the House, the rules committee has already begun hearings on H.R. 7130, the budget control act of 1973. This bill is largely a derivative of the report of the joint study committee on budget control issued just last