

TRIBUTE TO THE UNIVERSITY OF KENTUCKY WILDCATS

• Mr. McCONNELL. Mr. President, as my colleagues well know, I do not frequently venture down to the other side of Pennsylvania Avenue. The current occupant of the White House and I do not always see eye to eye. But, times change and I am anxiously awaiting the opportunity to set aside political differences in order to join the President in welcoming to Washington the 1996 NCAA Division I National Champions, the University of Kentucky Wildcats.

Mr. President, University of Kentucky basketball enjoys a proud history, one unequaled by any other school. In fact, in this season of unparalleled achievements, Kentucky not only earned bragging rights for the year, but they also became the winningest program in college basketball history. With their victory in the Mideast Regional Final, the Wildcats overtook the University of North Carolina and returned to their perch atop basketball's elite.

This fact is further demonstrated by the yearend Sagarin basketball Ratings. These figures compiled by basketball expert Jeff Sagarin factor in numerous variables, including schedule strength, to determine the top teams in Division I NCAA. This year, Kentucky posted a yearend rating of 103.26, which put the Wildcats not only in first place for the year, but also made it the top rated team in the 22-year history of these figures.

As for history, let's review a few quick facts about this Wildcat team. On their way to a 34-to-2 record, the Cats defeated every team on their schedule at least once by a minimum of 7 points. They scored 86 points in one-half against the LSU Tigers. Mr. President, for those of my colleagues who may not follow college basketball closely, allow me to put this achievement in terms more readily understandable. Scoring 86 points in one half is equivalent to BOB DOLE winning the Presidency before the polls in the Midwest even close, which, by the way, I anticipate he will do. Finally, the Wildcats did something that nobody believed was possible in this age of parity in college athletics: they played the entire Southeastern Conference regular season without losing a single game. A perfect 16 and 0.

Rupp, Issel, Groza, Givens, Macy, Mashburn, Hall, and now Pitino. The Fabulous Five, Rupp's Runts, the Fiddlin' Five, Pitino's Bombinos, the Unforgettables, and now the Untouchables. UK basketball enjoys a tradition unequaled by any other program. Mr. President, I believe this tradition will continue to grow for decades to come.

I urge my colleagues to join me in extending congratulations to this team of outstanding young men, a group distinguished not only by their athletic achievements but their character as well. As an unabashed college basketball fanatic, I want to personally thank

Coach Pitino, Athletic Director C.M. Newton, and President Charles Wethington for restoring dignity, excitement, and honor to this proud program. Their leadership provides an example all of us in public life would do well to emulate.●

ROLE OF RELIGION IN AMERICAN SOCIETY

• Ms. MIKULSKI. Mr. President, the State of Maryland is very fortunate to have many churches and religious institutions which serve families and individuals with special needs. I am pleased that the world headquarters for the Seventh-day Adventist Church is located in Maryland. On March 10, more than 500 community service directors and volunteers of the Allegheny East Conference of Seventh-day Adventists convened in Hyattsville, MD, under the leadership of Pastor Robert Booker. The keynote address was delivered by Dr. Clarence E. Hodges, vice-president of the North American Division of the General Conference of Seventh-day Adventists. He spoke eloquently on the role of religion in American society. I want to share with my colleagues some of his thoughts. Dr. Hodges began his remarks by speaking of the freedom of religion which the United States enjoys.

When freedom of religion is combined with other economic and social freedoms, society flourishes and the quality of life is enhanced for all citizens. The United States has the model which must be protected. Religious institutions stay out of government and governmental institutions stay out of religion while both employ their special approaches to advance the interests of society and the individual.

In his remarks, Dr. Hodges highlighted the vital role religion plays in our country, not only in meeting spiritual needs, but also in meeting the day to day needs in our communities. As he points out: Where would we be without their immense contributions?

What would it cost for government to replace all church operated charitable organizations, educational institutions, hospitals, nursing homes, welfare centers, soup kitchens, and other services provided to individuals?

And as he pointed out in his concluding comments, the contributions that people of faith and religious-based organizations are making to communities are needed now more than ever, in these times of declining spending at all levels of government.

The family, the basic unit of society, is coming apart. Divorces are at record high levels. First time marriages are being delayed. Babies are born to babies. Children are being raised in single parent families. Only nine percent of the children who live with both parents are poor while forty-six percent of the children who live with only one parent are poor. Since 1970, out of wedlock births have tripled. Child abuse and neglect contribute to the death of twelve children each day. Three hundred fifty thousand children between eight and eighteen years of age are put out of their homes each year. Homeless and runaway children are exploited by per-

verted adults for money and sick pleasures. The foster care system which is designed to provide protection and hope for neglected children actually feeds thousands into the corrections system as felons each year. Mothers are battered in front of and with their children and many see no other option but to suffer through this kind of domestic violence year after year. But your services are making a difference. We will never know the full value or impact of your services. Our governmental agencies at all levels and all tax payers appreciate what you are doing in response to human needs, family problems, and natural disasters. Since you serve anyone in need, without strings attached, and since your clients include all races, cultures and religious groups, I am pleased to congratulate you for doing the work of your Lord in an outstanding manner. You are ready for welfare reform, changes in Medicaid, nutrition programs, and the various block grant proposals. Thanks be to our founding fathers for their vision of religious freedom.

We live in a world where there is no suffering-free zone. We can relocate to beautiful communities but there is no comfort zone. We can run but we cannot hide. We can have creature comforts and luxuries far beyond our needs but we will have no comfort zone until we have reached out to all in need.

What is the value of a good neighbor? What is the value of the Good Samaritan? What is the value of religion? What is the value of religious freedom? The value of mankind, that's the answer. May we and America forever place a high value on all our freedoms and on all mankind.

I believe all of my colleagues will find food for thought in Dr. Hodges' comments.●

ALLEGED SWISS COLLABORATION WITH THE NAZIS AND THE SMUGGLING OF GERMAN LOOTED PROPERTY TO ARGENTINA

Mr. D'AMATO. Mr. President, I rise today to discuss an issue that continues to trouble me, namely that of the role played by Swiss banks and their continued retention of assets belonging to European Jews and others before and during World War II.

In a document from the State Department, entitled, "Nazi and Fascist Capital in Latin America," dated March 23, 1945, found at the National Archives, details Nazi capital infiltration of Latin and South America. Yet, within the report, there are sections which explain the role of the Swiss bankers in helping to secret Nazi assets out of Europe. At this time, Mr. President, I ask unanimous consent that this report be printed in the RECORD.

The relevant part of the report states that,

"Accusations have also been voiced that Nazi German capital is escaping in Swiss diplomatic pouches, probably without the knowledge of the Swiss federal government, because of the government's practice of entrusting diplomatic missions to its bankers and businessmen traveling to the Western Hemisphere."

If this is true, it suggests that Swiss bankers might have directly helped get Nazi assets out of Europe to Latin and South America. This revelation could lead to serious questions about the sincerity of the Swiss bankers with regard

to Jewish assets in their possession, as well as those of the Nazis. Where did all of the money go? That is what the Banking Committee will try to find out.

The report follows:

NAZI AND FASCIST CAPITAL IN LATIN AMERICA

Ever since the Nazis and the followers of Mussolini began to lose confidence in their ultimate victory, they started to establish safe refuges for their capital in neutral countries. The object of these transfers is only, in a minor degree, for the purpose of establishing coches for their loot, for the purpose of enjoying a comfortable old age, with personal and economic security, such as that of Kaiser Wilhelm II in the Netherland town of Doorn. The main purpose is the reestablishment of German industrial and financial power or influence in countries from which they could again attempt to dominate the world, first economically and later politically.

These transfers are being accomplished by various methods. Most of them are being made by the intermediary of neutral countries. A great deal of capital, British and United States currency, jewels, and technical secrets and stock certificates have been transported from Germany to neutral Switzerland, Spain, Tangier, and Portugal, and from there to the final destination, largely to neutral Argentina where the capital is expected to enjoy safety from any Allied interference. Spanish Falangists, aristocrats, and businessmen have been helping in these transfers, with their voyages from Spain to Argentina. These activities gained momentum in 1944.

In Spanish ships and German submarines, as much as possible of Germany's capital, American and other currency of the Allied nations, confiscated by the Nazis, inventions, technical personnel, officers, and machinery has been sent to Latin America, including some industrial plants complete with administrators. A typical example was the arrival in Argentina, at the beginning of 1945, of the heads of the CHADE (Compania Hispano-Americana de Electricidad), Juan Ventosa y. Calvet and F.A. de Cambo. The heads of the Deutsche Bank and the Allgemeine Elektrizitäts Gesellschaft figure prominently on the board of directors of CHADE which controls electric light and power for the city and province of Buenos Aires. Before his trip to Argentina, Ventosa y. Calvet was seen several times in Berne and Montreux, Switzerland, in the company of Hitler's financial advisor, Dr. Hjalmar Schacht. That is one example of how the Argentine Government has managed to speed up the development of war industries. In that way, Fritz Mandl, former Austrian munitions manufacturer, organized his armament factories in Argentina. Collaborators with German investments in Argentina are: Gen. Basilio Pertine, Dr. Arnold Stoops, Guillermo Schulenberg, Max Kleiner, Federico Curtins, Dr. Alejandro Czisch, Fernando Ellerhorst, Dr. C.E. Niebuhr. All of them are members of the board of directors of the most important German, or German-controlled, companies in Argentina: Siemens Bauunion, Siemens Schuckert, Osram, Wayss & Freytag, Bayer, Allgemeine Elektrizitäts Gesellschaft, known as A.E.G., and many others.

The main German investments include banks, such as the Banco Alemán Transatlántico and the Banco Germanico de la America del Sud; insurance companies, such as La Germano Argentina, Compania de Seguros Aachen y Munich; construction companies, such as Siemens Bauunion; electric machinery companies, such as the half-dozen

subsidiaries of Siemens-Schuckert, and Siemens & Halske; chemical companies, most of the subsidiaries of I.G. Farbenindustrie, such as Quimica Bayer S.A., Quimica Schering, Quimica Merck Argentina, Anilinas Alemanas; machinery distributors, such as Compania de Motores Otto Deutz Legitim S.A., Sociedad Tubos Mannesman Ltda., Aceros, Roechling-Buderus, S.A., Aceros Schoeller-Bleckman, S. de R.L. and many others.

Accusations have also been voiced that Nazi German capital is escaping in Swiss diplomatic pouches, probably without the knowledge of the Swiss federal government, because of the government's practice of entrusting diplomatic missions to its bankers and businessmen traveling to the Western Hemisphere.

The vast fortunes of Nazi party leaders and industrialists, sent out of the Reich for safe-keeping to neutral countries, but mainly to Buenos Aires, are ready to resume business through Germany's industrial and chemical cartels in new headquarters as soon as Germany surrenders. The alleged or Swiss aid to Germany in these matters is believed to have contributed to Russia's refusal to attend last year's international Aviation Conference in Chicago because of the presence there of Swiss and Spanish delegates.

The personal fortunes of Nazi officials, including Hermann Goering, Joseph Goebbels, Robert Ley and others, are said to be reaching Geneva via German diplomatic pouches, and from there—it is alleged—they are sent to Buenos Aires.

The Nazis once used Spanish diplomatic pouches in Venezuela and other countries to send strategic materials like industrial diamonds and platinum home from South America. Before Argentina broke its official ties with Germany, the Nazis sent vital materials to Berlin in their diplomatic pouches and received large shipments of such diverse items as propaganda, short-wave radio transmitters, and the blueprints for war weapons now produced in several Argentine arms plants, notably that of the former Austrian munitions king, Fritz Mandl.

Another method of obtaining allied or "free" currency in neutral countries, a method which furthermore obviates the necessity—often involving a certain risk—of smuggling currency, valuables, or stock certificates into neutral countries, was extortion from Germans living in neutral countries. The system of extortion, which the Nazis had employed on a world-wide scale during that year, was based upon the sale of exist permits from Germany and occupied territories. Persons seeking such permits were compelled to persuade their relatives or friends in the Western Hemisphere to place at the disposal of the Nazis large sums of "free" currency of the neutral powers. At the same time, residents of the American Republics were informed that their relatives or friends in Germany, or in territories occupied by it, would be sent to concentration camps or subjected to other tortures if the specified sums of money were not paid within a fixed period of time. Through this procedure, many persons in Europe, who had ties of friendship or relationship with residents of the New World, were held as hostages pending the payment of ransom in the free currencies.

The fortunes in securities, bullion and cash transferred to the Argentine capital are only part of the sums being invested abroad for the Nazi hierarchy by banks of neutral countries. International financial speculators have invaded the United States, Argentina, and Panama to assist the Germans in one of the greatest mass exodi of capital ever known. United States Government agents have successfully blocked the activities of a

number of these speculators but have as yet been unable to do anything about the misuse of diplomatic immunity of neutral countries. Such neutral diplomatic pouches are passed without inspection on Spanish, Portuguese, and Swiss merchant ships at the British control stations in Gibraltar and Trinidad.

It is reported that Reichsmarshal Goering lately used this method to transfer personal funds. According to these reports, Goering previously sent more than \$20,000,000 of his personal fortune to Argentina via the Dresden Bank of Berlin and the Schweizer Bankverein of Geneva. His representative in Argentina is Dietrich Borchardt, a German of Argentina citizenship, who not long ago visited the United States and engaged in financial transactions.

Goering is also reported to have transferred some funds to Argentina by a Nazi submarine which in the Spring of 1943 surfaced near Mar del Plata on the Argentine coast and transferred some forty boxes to a tugboat of an Axis-owned line in Buenos Aires. Part of that money is said to have been invested in the "Electro Metalúrgica Sema" arms plant in Buenos Aires which Goering recently sold to the Argentine government for \$5,000,000.

One of the latest reports is the discovery that Nazi Propaganda Minister Joseph Goebbels has \$1,850,000 in United States money in a safety deposit box in a German-controlled bank in Buenos Aires, under the name of a friend of German origin there.

Foreign Minister Joachim von Ribbentrop has a large sum deposited in the name of his cousin, a German named Martin, who recently received \$500,000 from a Swiss bank from the account of the Nazi diplomat.

Admiral Karl Doenitz, chief of the German Navy, has an undisclosed sum in the care of a relative, Edmundo Wagenknecht, owner of one of the largest German import and export firms in Argentina.

Robert Ley, Chief of the Nazi Labor Front, recently bought a large farm near Bahia Blanca, Argentina, under the name of Franz Borsemann, a trusted Nazi friend.

It is estimated that in 1939 German investments in Latin America amounted to at least 150 million dollars or 16 percent of the total foreign investment of Germany. This figure does not include the capital belonging to persons of German lineage or capital employed by those who had acquired an American citizenship while maintaining Nazi contacts and sympathies. It consists of those investments whose ownership is known to be German, hence it is a minimum figure. Much of this, although small in proportion to British and United States holdings, was effectively and intensively organized and integrated into the Nazi political system.

When the Germans overran almost all of continental Europe, they seized many millions of French francs, Dutch guilders, Belgian belgas, Norwegian and Danish kronen, Czech korunas, Polish zlotys, and a great deal of American and British currency found in the banks of these countries. They transported or transferred them to neutral banks, and from there much of it went to South America, mainly to Argentina. This money was partly used for the purpose of expanding Nazi controlled industries in these neutral countries.

According to some Argentine estimates, the Germans have \$750,000,000 cashed or invested in South America, including their pre-war investments.

During the war, these investments have been considerably increased through the infiltration of German capital.

"Anilinas Alemanas" (German Anilines), which is part of the huge German dye trust, is an example. According to figures registered by this company with the Argentine

government, its capital there in 1940 was 5,000,000 pesos. In 1943 it was 9,600,000 pesos, the balance having been invested from abroad during the war. Although the company officially was cut off from all supplies from Germany during that period, its 1939 profits of 69,453 pesos had soared to 1,731,847 pesos in 1943.

German government officials "bought" millions of dollars in Argentine securities from their owners in occupied Europe, giving the victims worthless German paper money or securities in exchange. The Argentine securities thus obtained have been sent to Buenos Aires for safe-keeping. Future attempts of the victims to recover these Argentine securities will be a difficult, if not impossible task.

PREVIOUS COMMERCIAL TIES

Industries and commercial houses operated by Germans in Latin America conducted their activities as though nationalized by the Third Reich, in the interest of the Party and often with little regard for financial profit and ordinary business enterprise. Commercial enterprises such as retail and wholesale distribution, importing and exporting, commodity brokerage, and drug compounding and distribution were the types preferred for German investment. More than half of the German capital in Latin America was invested in this field of endeavor.

The largest and most extensive investments were made by Germans in Brazil. Here the basis for a thriving trade in German and Brazilian commodities existed as a result of a large colonies of Germans in Brazil which had been established under the leadership of the Hanseatic Colonization Company beginning in 1887. Most of these early colonists were farmers and laborers and as their economic status became stronger and more prosperous, German industrialists, traders, technicians, and small capitalists were attracted to the country. Thousands of farms owned by Germans and citizens of German descent and in 1939 an estimated 40 million dollars in German capital was invested in commercial houses. German traders maintained the closest of ties with Germany, dealing principally in German goods and in products specially prepared, packed and shipped from Brazil to German markets. These strong commercial ties were fully utilized by the Nazi party organization not only to extend the party network but to provide powerful financial support.

Similar commercial penetration occurred throughout Latin America reaching a position of dominance in Chile, Colombia, and Bolivia. In 1939, German investments in commercial firms in Chile were estimated at 16 million dollars, in Colombia 9 million, and in Bolivia 5 million. German business agents covered the area reaching remote districts with products of German industry and seeking commodities in exchange. Easy credit terms were extended, personal favors granted, and buyers tied to sellers by means of continuing obligations. Such firms as Bayer, Becker, Elsner, Kyllman, Swertzer, and Zeller operated prosperously and with extensive credit furnished by banks with German connections. With typical thoroughness the Germans extended their control until dominance was achieved in many fields. In Uruguay a Nazi gauleiter named Deldorf used the firm of Lahusen and Company as a center of party espionage. This firm with other German-owned and controlled units dominated the wool export trade of the country. The financial strength and commercial prestige of these firms enabled them to exert effective powers over press and radios; a power which was fully used.

In addition to these strictly German investments there were substantial capital

holdings in the hands of local citizens of German descent with Nazi sympathies and connections. In Colombia alone there were an estimated 225 firms of this type with capital aggregating about 5 million dollars.

AGRICULTURAL INVESTMENTS

Second in size to German investment in commercial enterprises were German land holdings in Latin America. In Argentina, German colonies were established, principally in Patagonia. More than half of the population in this area was foreign, the Germans numbering 15,000. Several of the richest and most extensive land holdings in Patagonia were dominated directly or indirectly by powerful German interests. The Germans lived here as Germans speaking their own language, retaining German customs, schools, and religion, celebrating German holidays, and spreading a continuous flow of Nazi propaganda. The area was virtually a Nazi State, followed the party line, and kept alive the issue of creating a separate State.

In Peru, Gildermeister and Company with home offices in Lima and Berlin operated under the name of Negociacion Agricola Chicama, Limitada (formerly Casagrande Luckner Plantagen, A.G.). In 1939 this firm owned the largest sugar plantation in the world (more than 1.5 million acres) and controlled the production of more than half of all sugar produced by Peru. The capital investments of this firm were estimated at about 20 million dollars; it possessed its own private seaport, Puerto Chicama, but the total quantity and composition of exports and imports which flowed through the port is a matter of conjecture. Gildermeister maintained close ties with the Nazis, one of the Gildermeister brothers serving as the Peruvian ambassador in Berlin until 1942. The concern employed German as well as native personnel, and dominated completely the economy of the Chicama Valley.

In Central America, notably Guatemala and Costa Rica, German land holdings were substantial. In Guatemala, German capital controlled about 60 percent of the coffee acreage and the amount invested was estimated at 20 million dollars. Similarly, in Costa Rica about 5 million dollars of German capital was invested in coffee and sugar plantations.

BANKING INTERESTS

Ranking third in size, the German investments in banking in Latin America were of considerably greater importance as instruments of Nazi control than might appear from their capital. German personnel was strategically placed in local banks; correspondent contacts were developed and maintained on an extensive scale; loans to institutions of strategic importance and to governments were made and the dominant motive was often clearly political rather than economic.

In every report or news dispatch from South America, two banks have been named as the key transmission-belts for financing German enterprises in Latin America: the German Overseas Bank (Deutsche Ueberseeische Bank) and the German-South American Bank (Deutsche-Suedamerikanische Bank). The former—its Spanish name is Banco Alemán Transatlántica—is under the control of the Deutsche Bank, the largest private bank in Germany, with eighteen branches in Argentina, Brazil, Chile, Peru, and Uruguay. Its board of directors contains, besides the heads of the Deutsche Bank, the director of the Krupp combine, Dr. Busemann; the general director of the potash trust, Dr. Diehn; and representatives of the Steel Trust and of Siemens-Schuckert, one of the two largest electricity trusts in Germany. The German Over-

seas Bank has interests in the Central Banks of Argentina, Chile, and Peru.

The majority of shares in the German-South American Bank (Banco Germánico de la América del Sud) belong to the Dresdener Bank, Germany's second largest private bank. Here, too, the Krupp combine is represented in the person of Krupp's brother-in-law, Baron von Wilmovsky. Hermann Buecher, chairman of the board of AEG, Allgemeine Elektrizitäts Gesellschaft, the largest German electricity trust, is also a director of the bank. Consul Heinrich Diederichsen, head of a large Hamburg import and export house, is a director of the bank; while his son, utilizing the money of the German-South American Bank, plans a very important role in the fascist Integralists movement in Brazil.

German banks were of notable importance in Argentina, Brazil, Colombia, and Chile, operating with numerous branches and controlled from Berlin. The former Banco Italiano (now El Banco Crédito del Peru) was a 10 million dollar Axis institution which dominated the banking business of Peru. It has such power that few important steps, affecting government finance or of major economic importance, were taken without consulting the officers of this institution. Through selective financing, it controlled the public utilities and a substantial number of private business interests in Peru.

INVESTMENTS IN TRANSPORTATION

The major German investment in Latin American transportation was made in air-lines. The systems developed in strategic areas. The principal lines, Condor, Lufthansa, Seda, Varig, Scadta, and Lloyd Aero Boliviano, operated largely with German personnel (some of whom were officers in the Nazi Army) and systematically mapped the strategic areas of Latin America. This subject is treated in a separate section of this report.

German shipping companies forced to suspend business activities as a result of the British blockade did not close their offices but in many cases expanded and opened new offices to carry on propaganda functions.

The Compañia Unión Industrial de Barranquilla was the only shipbuilding firm in Colombia for the river trade. Its control was German, most of its personnel was German and nearby property and business was owned or dominated by Germans.

PUBLIC UTILITIES

Though direct financial investments by Germans in public utilities in Latin America were small, Germans held key positions in many utility concerns, notably Argentina; and in Uruguay, the German firm, Siemens, contracted to build a great hydroelectric power and distribution system at Rio Negro using German technicians and German equipment and installations. The entire technical personnel of the electric plant in Quito was German. The chief engineer on this project was Walter Giese, a Nazi gauleiter who established in Ambato a powerful Nazi radio transmitting station.

TRANSFER OF ITALIAN FASCIST CAPITAL

The Italian Government in Rome, cooperating with the Allied Commission, seized and sequestered Fascist estates valued at \$80,000,000 in liberated Italy. But high-ranking Fascists are said to have smuggled between \$400,000,000 and \$500,000,000 into neutral countries, most of which is the result of wholesale looting.

Edda Mussolini, the Duce's daughter and widow of Count Ciano, executed Fascist Foreign Minister, escaped to Switzerland and is credited with having stored away more pilage than any other Italian Fascist.

Other nations where Fascists have succeeded in hiding funds include Portugal, Argentina, and Brazil, according to an Allied Commission official.

Italian "epuré" (purge) officials are not investigating a report that Mussolini himself hid some loot in the United States.

Mussolini's family, including children and grandchildren, his mistress, Clara Petacci and all of her family, comprise sixteen names of 267 whose estates in liberated Italy have thus far been sequestered. Not all of the 267 are Fascist leaders. Some are simply profiteers and war contract swindlers.

SWISS BANKERS AND GERMAN CAPITAL

Three members of the Swiss delegation of the International Business Conference, held at Rye, N.Y., in November 1944, made several attempts to induce the U.S. Treasury Department to rescind its ruling that the true ownership of all funds deposited by Swiss banks in this country be revealed within one year after hostilities cease in Europe. The Swiss banking system in which numbers designate accounts instead of names, makes it enormously difficult to trace secret or hidden funds.

According to sources having connections in Geneva and Buenos Aires, the reason for Swiss bankers' anxiety to evade disclosure of their clients' names is the fact that Swiss banks have for several years been aiding in the transfer of immense fortunes of Nazi leaders and their European collaborators to the United States, Spain, Argentina, and Brazil.

The Swiss Committee, headed by Edmond Barbey of Lombard, Odier et Cie., includes André Fatio of Ferrier, Lullin, and F.H. Bates, all representing the Union de Bancs Suisses (The Swiss Banking Association). They are basing their plea on the Swiss banking tradition of absolute secrecy concerning their clients' accounts—or even of the fact that the account exists.

At present Swiss funds deposited in the United States anonymously are blocked by the Treasury Department which promises to release them upon definite proof that they do not belong to enemy aliens or war criminals.

The chairman of the Swiss delegation to the International Business Conference was Hans Sulzer of Gebrüder Sulzer in Geneva (and a branch in Frankfurt-on-Main, Germany), who was on the British blacklist. (Charged with supplying Diesel engines for Nazi submarines, Sulzer hotly replied, "They were not for submarines!).

In allowing men like Sulzer and their bankers the cloak of diplomatic immunity, the Swiss government has, probably unwittingly, enabled German leaders like Goering, Goebbels, and von Ribbentrop to spirit huge funds abroad. For centuries Swiss banks have been confidants of men who want to keep their financial transactions secret. A banker is forbidden by the Swiss constitution from disclosing his clients' maneuvers. He would rather go to jail than do so.

The Swiss Banking Association is therefore doubly anxious to induce the United States to refrain from insisting on postwar disclosure of the names of its depositors here. Besides being forced to confess their relations with war criminals, they will have lost the advantage of secrecy which has enabled them to vie in world influence with the greatest banks.●

RESURGENCE OF THE AMERICAN STEEL INDUSTRY

• Mr. ROCKEFELLER. Mr. President, I wish to draw the Senate's attention to a most important development that

seems to have gone virtually unnoticed by a great many in the general public. As the co-chairman of the Senate Steel Caucus, I am pleased to report that the story of the resurgence of the American steel industry is a genuine American success story. In the April 16, 1996, edition of the New York Times, there was an extensive article which outlined many of the ways in which American steel companies have been able to rebound from huge losses and, in some cases, bankruptcy. Today the American steel industry is simply the most cost effective, and highest quality steel industry in the world.

During the 1980's, as many of my colleagues will remember, the steel industry was confronted with many serious problems, not the least of which was the fact that foreign steel producers, with the approval of their governments, targeted our steel industry for extinction by means of dumping and other unfair trade practices. In response to the threat of our using our antidumping and countervailing duty laws, foreign governments negotiated voluntary restraint agreements [VRA's] with the United States that kept a lid on imports of unfairly traded steel.

These VRA's were desperately needed medicine which gave our steel companies the extra boost they needed to rise from the ashes. In addition, Congress worked on a bipartisan basis to maintain the effectiveness of U.S. antidumping and countervailing duty laws. Effective use and administration of our trade laws were—and remain—absolutely vital to the health of our steel industry.

That is why I fought so hard, when we were negotiating the Uruguay round of the GATT, and when Congress was writing the legislation to implement the round, to make sure that the sanctity and effectiveness of our fair trade laws were maintained. Today, some are trying to undermine our trade laws through covert means, to find ways of getting around our trade laws. Mr. President, we can't afford to let that effort succeed. America's steel industry, the backbone of our economy, can't afford to let that effort succeed.

However, our trade laws alone didn't bring about American steel's resurgence. Since 1980, U.S. steel producers have invested over \$35 billion in modernization—a figure higher than the industry's total cash flow! But the revitalization of America's steel industry has been costly and painful. Between 1980 and 1992, the workforce was cut by 57 percent and 450 facilities were closed.

Most of the 235,000 people whose jobs were lost in those down years won't benefit from the resurgence of America's steel industry, but the polishing-up of the rust belt will benefit thousands of other workers and their families.

Today, the United States has a world class steel industry. American steel is

the lowest cost producer for the U.S. market; U.S. labor productivity—man hours/ton—in the steel sector leads the world; the quality of American steel is second to none; and the United States is emerging as a center of innovative steelmaking technology.

As we all know, successful competition in today's global marketplace requires a vigorous manufacturing base. Steel is fundamental to that base and continues to be essential to manufacturing, infrastructure and defense—mainstays of our economy.

Mr. President, I ask that the New York Times article entitled, "Big Steelmakers Shape Up," be printed in the RECORD.

The article follows:

[From the New York Times, Apr. 16, 1996]
BIG STEELMAKERS SHAPE UP—U.S. MILLS WIN
BACK BUSINESS AT HOME AND ABROAD
(By John Holusha)

SPARROWS POINT, MD.—Richard Moore was laid off from the Bethlehem Steel Corporation's sprawling mill here in 1981, one of tens of thousands of workers shed by the American steel industry as it fought to cut bloated costs and fend off surging imports.

Now, after a nearly 15-year stint selling auto parts, Mr. Moore is back on the job, one of 400 production workers hired here last year, the first new arrivals since 1979. More are expected to be hired soon.

"The work here is dirtier, hotter, more dangerous and strenuous" than the sales job, Mr. Moore said during a brief break. But, at \$24 an hour in base pay and benefits, it is also "much better than what I was doing," he added.

The return of Mr. Moore and his colleagues—and others like them at steel plants around the country—marks the return as well of an industry that was nearly given up for dead in the United States a decade or so ago.

Slimmer now and better run, American steelmakers are taking back more and more pieces of their domestic business from competitors in Japan and other countries. And at levels not seen for half a century, they are going abroad with a vengeance, more than holding their own on foreign turf in terms of quality and price, even with the added expense of shipping.

Last year, they shipped 7.1 million tons of steel slabs, sheets and structural beams to foreign countries, nearly doubling the 3.8 million tons exported in 1994. It was the best export performance since 1940, according to the American Iron and Steel Institute, the principal industry trade group. And orders are booming this year.

As explanation of why he expects to stay on this time around, Mr. Moore pointed to the fact that the tinplating line he works on had sold its full 1996 production capacity by mid-March. Last year, Bethlehem exported 500,000 tons of steel from the plant here, along the Chesapeake Bay about 12 miles southeast of Baltimore. That is up from just 50,000 tons the year before. All in all, the performance last year and the strong orders so far this year "confirm that the U.S. steel industry has become competitive on a world basis," said Peter F. Marcus, a metals analyst at Paine Webber.

To be sure, the United States still imports more steel than it exports, at least partly because so many outmoded mills have been closed that the domestic industry cannot fully supply the market. Imports totaled 24.4 million tons last year. And the bulk of the hiring here and at other plants is to replace retiring workers, not to add to the payroll.