

琉球大学学術リポジトリ

米国管理下の南西諸島状況雑件 沖縄関係 日本政府
援助プライス法（改正案を含む）(2)

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改正成立（大統領署名）

注意

1. 本電の取扱いは慎重を期せられたい。
2. 本電の主管変更その他については検閲班に連絡ありたい。

電信写

大政事外外官
務務房
次次
臣官官審審長

僑人計会領審
(総)文電領
(国)参資
長調給厚
ア東

長総中西

北米長
北

中参南
移長中住

欧参英
長西東

近近
ア長ア

経参国米ア
二

参調歐
総国近
長通ス

経参経賠
協政技賠
優国経

参協

長条規
國参軍社專

長政経科

簡参内
長遊外

文文
長二

67 年 月 日 時 分
67 年 11 月 7 日 20 時 40 分
ワシントン 米北

外務大臣殿 下田 (大使) 臨時代理大使 総領事 代理

プライス法改正成立

オ3208号 辛 至急

往電オ3059号に關し

ジョンソン大統領は4日法案(H. RES.

4903)に署名し、右に P.L. 90-126 として

成立した(テキスト入手の上空送する)。

(3)

北米局長

参事官

北米課長

7963

52210-1 (楊下)

(12/22)

送付 公 信

政 7963 号

昭和42年 11 月 21 日

外 務 大 臣 殿

在 米 下 田 大 使

引用公・電信番号 往電 3208 号

送 付 資 料

プライス法改正法条文

Public Law 90-126 (81 Stat. 363)
90th Congress, H.R. 4903
Nov. 4, 1967

要処理

首席

南

渉外

請登

漁 業

航 空

科学協力

調整

調 査

力子夕

局庶務



付属添付 ☒

付属空便 (行) ☐

付属空便 (D. P.) ☐

本信写送付先 : (別添省略)



Public Law 90-126
90th Congress, H. R. 4903
November 4, 1967

An Act

To amend the Act providing for the economic and social development in the 81 STAT. 363
Ryukyu Islands.

Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled, That section 4 of Ryukyu Islands,
the Act of July 12, 1960, Public Law 86-629, as amended (76 Stat. Funds, increase,
742), is amended by striking out the figure "\$12,000,000" and inserting 74 Stat. 462,
the figure "\$17,500,000" in place thereof.

Approved November 4, 1967.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 723 (Comm. on Armed Services).
SENATE REPORT No. 674 (Comm. on Armed Services).
CONGRESSIONAL RECORD, Vol 113 (1967):
Oct. 2: Considered and passed House.
Oct. 24: Considered and passed Senate, amended.
Oct. 26: House agreed to Senate amendment.

北米課長

資料送付事務連絡

昭和38年12月8日

第1379号

宛	北米局 北米課 御中 (殿) 在 大使総領事館		
発	在米大使館に於ける班 (官)	引用	
(資料名) 沖縄援助に因りて上院歳出委員会報告書 90th Congress 1st session Senate Report no. 807 "Foreign Assistance and Related Agencies Appropriation Bill, 1968" (注) 18 及び 19 ページ 参照			
写送付先	在 大使総領事館 (省略) 局 課 (別添 とも)		

Calendar No. 792

90TH CONGRESS } SENATE } REPORT
1st Session } No. 807

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1968

NOVEMBER 28, 1967.—Ordered to be printed

Mr. PASTORE, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 13893]

The Committee on Appropriations, to which was referred the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made.

Amount of bill as passed House.....	\$2, 775, 011, 000
Amount of increase by Senate committee.....	527, 334, 000
<hr/>	
Amount of bill as reported to the Senate.....	3, 302, 345, 000
Amount of estimates, 1968.....	3, 842, 836, 000
Amount of appropriations, 1967.....	3, 493, 368, 500
The bill as reported to the Senate:	
Under the estimates for 1968.....	540, 491, 000
Under the appropriations for 1967.....	191, 023, 500

Summary of the bill.

Title	Item	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—	
					Budget estimate	House bill
I	Foreign assistance	\$3,250,520,000	\$2,196,555,000	\$2,719,389,000	-\$531,131,000	+\$522,834,000
II	Foreign assistance (other)	592,316,000	578,456,000	582,956,000	-9,360,000	+4,500,000
III	Export-Import Bank of Washington (limitation)	(2,854,190,000)	(2,554,190,000)	(2,854,190,000)	-----	(+300,000,000)
	Total	3,842,836,000	2,775,011,000	3,302,345,000	-540,491,000	+527,834,000

GENERAL STATEMENT

For economic and military assistance, which is included in Title I of the bill, the committee has allowed the sum of \$2,719,389,000, which is an increase of \$522,834,000 over the House allowance but \$140,639,000 under the amount recently authorized by the Congress. Almost 90 percent of the funds restored under Title I of the bill was added to three items as follows:

	House allowance	Committee recommendation	Increase
Alliance for Progress development loans	\$370,000,000	\$478,000,000	\$108,000,000
Development loans	400,000,000	600,000,000	200,000,000
Military assistance	365,000,000	510,000,000	145,000,000

Testimony received by the committee indicated that the reduction of almost 30 percent in funds for the Alliance for Progress development loans would mean that we would not be able to maintain existing aid levels in Latin America; nor would we be able to undertake the extended programs that were projected at Punta del Este.

Further, the committee was advised that if the House allowance of \$400,000,000 was sustained, it would be necessary to make sharp cuts in our Development Loan Programs in India, Pakistan and Turkey. In addition, it was pointed out to the committee that our development efforts in Indonesia, the Philippines, and Korea would be inadequately supported unless additional funds were available. Other casualties that would result if the House allowances for Development Loans were allowed to stand would include several of the smaller loan programs, most of the African program and a considerable setback in the effort we are presently waging against hunger in the world.

Concerning the committee's recommendation for Military Assistance, the committee felt that the reduction of almost 42 percent made by the House in this item, would make it practically impossible for the administrators of the program to effectively carry out their tasks. The committee took cognizance of the fact that for two decades now, we have supported the ability of the free nations adjacent to the Soviet Union or Communist China to defend themselves against external military threats and the committee believes that free world strength is and has been indispensable in keeping the peace. It feels strongly that this is no time to make drastic cuts in our Military Assistance program.

(3) The committee also considered the recommendation of the House to reduce the amount of the Export-Import Bank of Washington from \$2,854,190,000 to \$2,554,190,000. The committee believes that the Export-Import Bank of Washington is an important instrumentality for the promotion of international trade and commerce and that the reduction recommended by the House would be a serious setback to the program. The committee therefore recommends that the House allowance be restored.

TITLE I—FOREIGN ASSISTANCE
FUNDS APPROPRIATED TO THE PRESIDENT

ECONOMIC ASSISTANCE

TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

1967 appropriation	\$200,000,000
1968 budget estimate	242,815,000
House allowance	180,000,000
Committee recommendation	210,000,000

The committee recommends for technical cooperation and development grants \$210,000,000, which is the sum contained in the authorization act, \$30,000,000 more than the House allowance, but \$32,815,000 below the budget estimate. In addition, the committee has included language in the bill which will make the unobligated balances from fiscal year 1967 available, along with the estimated recoveries, which will add an additional \$29,700,000 to finance programs hereunder in fiscal year 1968.

The technical assistance program has stood the test of time. It attacks directly the critical problem facing most of the less-developed countries; the shortage of training institutions and skilled people by making available U.S. skills and know-how to these countries. The technical cooperation and development grants program is basic to the war on hunger, embracing those areas which enhance food production and provide for family planning.

The technical assistance projects comprise a large segment of the proposed AID program in Africa, where it amounts to approximately 47 percent of the total assistance provided to the area. In Latin America, it approximates 16 percent of total assistance, while in the Near East and South Asia, it amounts to about 6 percent. The funds furnished under this title serve as the catalyst for the lasting economic development of the emerging nations, and enable AID to carry forward basic work in agriculture, education, and health. In addition, the funds provided under this title are employed to assist in the control and eradication of major diseases and other menaces to health; pre-freight charges on shipments of supplies by approved American nonprofit voluntary agencies; assist in planning and surveys of development programs and projects; and finance research concerning the problems of economic development.

The House bill under this head provides that "none of the appropriation shall be used to initiate any project or activity which has not been justified to the Congress." The committee has concurred in the House language, but desires to make it clear to the Agency for International Development that the phrase "justified to the Congress," is interpreted by the committee to sanction projects or activities concerning which the proper committees of the Congress are notified and is not narrowly defined to restrict projects or activities to those described in the original presentation books. This interpretation by the committee of the phrase, "justified to the Congress," is also applicable to the paragraph, "International Organizations and Programs," where a similar provision was included by the House, and which has also been approved by this committee.

The House bill contained a provision intended to limit to \$20,000,000 the funds to be used for family planning activities. Because the House

language is not clear, the committee has rewritten the provision using the identical sum of \$20,000,000 as the ceiling for population activities.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

1967 appropriation	\$10,989,000
1968 budget estimate	13,900,000
House allowance	11,500,000
Committee recommendation	10,620,000

SPECIAL FOREIGN CURRENCY PROGRAM

1967 appropriation	(\$1,000,000)
1968 budget estimate	0
House allowance	(\$980,000)
Committee recommendation	(\$980,000)

For this item, the committee allows the sum of \$10,620,000, which is a reduction of \$880,000 under the House bill. The program for fiscal year 1968 contemplated obligations in the amount of \$14,029,000 as follows:

Name and location of institution	Fiscal year 1966	Fiscal year 1967	Proposed fiscal year 1968
214(a) program:			
1. American University of Beirut, Lebanon (including medical center)	\$4,500,000	\$3,135,000	\$8,309,000
2. International College of Beirut, Lebanon	50,000	0	0
3. American Farm School, Thessaloniki, Greece	120,000	120,000	120,000
4. Anatolia College, Thessaloniki, Greece	75,000	40,000	0
5. Pierce College, Athens, Greece	75,000	200,000	0
6. Robert College, Istanbul, Turkey	1,500,000	2,500,000	2,700,000
7. American University in Cairo, Egypt	1,200,000	1,200,000	1,200,000
8. Escuela Agrícola Panamericana, Tegucigalpa, Honduras	200,000	200,000	200,000
9. University of the Americas, Mexico City	0	2,000,000	0
214(b) program:			
10. Admiral Bristol Hospital Nursing School, Istanbul, Turkey	100,000	100,000	0
11. Polish Children's Hospital, Krakow, Poland	175,000	0	0
12. Project Hope	1,500,000	1,500,000	1,500,000
Miscellaneous support-consultant travel		1,500	
Total	9,495,000	211,000,000	14,029,000

¹ Includes \$2,500,000 made available from fiscal year 1966 contingency fund.

² Does not include \$1,000,000 in excess Israel pounds made available for Hadassah under sec. 214(d) of the Foreign Assistance Act of 1966.

The House reduced the budget estimate by \$2,400,000. The additional reduction by the committee of \$880,000 will provide a total reduction of \$3,280,000 in construction funds for the American University of Beirut. The construction contemplated at this university can be deferred at this time.

Foreign currency program. The committee concurs with the House and recommends that \$5,986,000 in foreign currencies excess to the normal requirements of the United States be authorized to be used for the following institutions in Israel:

Or Hachayim Girl's College of Israel	\$1,000,000
Israel Training Institute for Boys school	1,986,000
Bayit Lepletot Home	1,000,000
Ch'san Sofer Chasan Yecheskel Institute	1,000,000
Jerusalem College for Women	1,000,000

SURVEYS OF INVESTMENT OPPORTUNITIES

1968 budget estimate.....	2,000,000
House allowance.....	1,000,000
Committee recommendation.....	2,000,000

The committee recommends the sum of \$2,000,000 for surveys of investment opportunities, an amount which is the same as the budget estimate and \$1,000,000 over the recommendation of the House.

Since its inception, the investment survey program has proved to be a most successful tool for inducing U.S. investors to make considerable investments in friendly less-developed countries.

Under section 231 of the Foreign Assistance Act of 1961, as amended, the Agency for International Development has authority to pay up to 50 percent of approved costs of investigating specific investment opportunities in less-developed countries. If after conducting the survey, the prospective investor decides to make the investment, he bears all the expenses and retains full rights to the information collected. If however, the prospective investor does not make the investment, and if he has complied with the terms of the participating agreement, he is entitled to payment from AID for 50 percent of the cost of the survey. In these circumstances, the survey report becomes the property of the U.S. Government and may be made available to other potential investors through AID's Catalog of Investment Information and Opportunities.

The committee is advised that, as of June 30, 1967, AID has authorized an accumulative total of 280 investment survey agreements, representing a maximum contingent liability of \$4,200,000. At that date, 49 agreements had either been canceled or withdrawn and 97 surveys were still in process. There was a total of 134 completed surveys, and of these, 36, or approximately one out of every four, resulted in decisions to invest an estimated \$81,000,000 in private projects. The program is being used by a variety of firms in the small, medium, and large categories, and the committee was informed that the projects surveyed include light and heavy manufacturing, service industries, and food production. An encouraging number of surveys involve projects contributing to the war on hunger and include feed mills, fertilizer plants, and food-processing facilities.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

1967 appropriation.....	\$140,433,000
1968 budget estimate.....	140,980,000
House allowance.....	125,000,000
Committee recommendation.....	130,000,000

The committee recommends the sum of \$130,000,000 for this item, which is \$5,000,000 more than the amount allowed by the House. In addition, the unobligated balance of \$4,231,154 under this head is continued available.

The programs to be funded out of this appropriation are shown below:

Voluntary contributions to international organizations and programs

	Fiscal year 1968, proposed
U.N. Development Program.....	\$75,000,000
U.N. Children's Fund.....	12,000,000
Indus Basin Development Fund.....	25,500,000
U.N. technical and operational assistance to the Congo.....	3,000,000
U.N. Food and Agriculture Organization—World food program.....	2,000,000
Special contributions for Vietnam.....	2,000,000
International Atomic Energy Agency—Operational program.....	1,000,000
World Health Organization—Cancer research.....	150,000
U.N. Institute for Training and Research.....	500,000
U.N. programs for South Africans.....	150,000
U.N. Relief and Works Agency.....	13,300,000
U.N. peacekeeping operations: U.N. Emergency Force (Near East).....	6,385,000
Total.....	140,985,000

* Total annual pledge, including agricultural commodities: fiscal year 1968, \$22,200,000.

The committee is greatly concerned with the trend of ever-increasing budgets of international organizations. Year after year, the committee has expressed its concern over the mounting costs of these various international organizations, both on the contribution level and percentage-wise. The committee strongly feels that many of these United Nations programs should be brought in line in proportion to our main contribution to the United Nations and that other nations should be called upon to assume a greater responsibility in accordance with their capacity to do so. The United States representatives at the United Nations are directed to advise the Committee on Appropriations of the Senate and House of Representatives when the next budgets are prepared what these budgets are and what our representatives have agreed to in the way of U.S. contributions to these organizations.

In recommending a sum which is less than the budget estimate, the committee desires that none of the reduction be applied to the United Nations Children's Fund. The executive branch did not furnish the committee with a breakdown of the reductions which they would make as a result of an overall total reduction made by the House of Representatives. The committee believes that in the future the appropriation for each of the items under this head should be on an individual line item basis so that when reductions are made by the Congress they will not be placed arbitrarily against the most important programs.

The committee has approved the sum of not to exceed \$50,000 for United Nations programs for South Africans.

Historical, descriptive and financial data, and other pertinent information respecting the major international organizations and programs are discussed in more detail in the following narrative:

U.N. development program.—This program (UNDP) began on January 1, 1966, and combines two previously separate programs—the Expanded Program of Technical Assistance (EPTA) and the Special Fund.

The EPTA program primarily provides experts and training fellowships to expand the technical resources of the developing countries. The Special Fund concentrates on preinvestment programs designed to increase a developing country's productive capacity and help it establish a more favorable investment climate.

The United Nations Children's Fund.—This fund (UNICEF) helps governments devise programs of permanent benefit to children,

provides needed supplies and equipment, and aids the training of national and local staffs to operate the programs.

The Indus Basin Development Fund.—This fund (IBDF), administered by the World Bank, is financing a 10-year program to construct works in Pakistan to replace waters allocated to India under the Indus Waters Treaty. The project, the largest earth-moving job ever undertaken, involves the construction of a dam, seven barges, and 430 miles of canals.

By participating in the IBDF, the United States is helping to provide arable land for over 50 million people in Pakistan and India, and at the same time to remove one of the principal sources of friction between the two countries.

The Indus program is now in its seventh year. Construction was estimated to be 75 percent complete by the end of 1966 and the last two major contracts were let in January 1967. Filling of the Mangla Dam Reservoir, largest of the Indus projects, began in February 1967.

The IBDF agreement provides that contributors make payments to the Fund upon semiannual call from the World Bank. Based on estimates of total payments which will be due contractors, the World Bank plans to call for \$25.5 million in U.S. dollar grant contributions during fiscal 1968.

U.N. technical and operational assistance to the Congo.—Through the international recruitment and placement of personnel with the necessary skills and language competence, the U.N. technical and operational assistance program for the Congo (Kinshasa) helps meet the country's critical need for technical advisers and operational experts. The program serves the U.S. objective of strengthening a moderate central government's capabilities for maintaining internal security, political stability, and a reasonable rate of development.

U.N. Relief and Works Agency for Palestine Refugees.—This agency (UNRWA) helps meet the minimum food, shelter, health and educational needs of the Arab refugee population in Lebanon, Syria, Jordan, and the Gaza Strip.

U.N. peacekeeping operations.—The U.N. Emergency Force (UNEF), established in 1956, acts as a border patrol and buffer force on the armistice line and international frontier between Israel and the United Arab Republic. It serves a major U.N. and U.S. objective of helping keep the peace between the two states and contributing to stability in the area.

SUPPORTING ASSISTANCE

1967 appropriation	\$690,000,000
1968 budget estimate:	
Supporting assistance, general	170,000,000
Supporting assistance, Vietnam	550,000,000
Total	720,000,000
House allowance	600,000,000
Committee recommendation	610,000,000

The committee allowance of \$610,000,000 is \$50,000,000 under the budget estimate and \$10,000,000 over the House allowance. The sum recommended by the committee, together with carryover recoveries and reimbursements in the amount of \$28,654,000, will fund a total supporting assistance program of \$638,654,000 in fiscal year 1968. This amount compares with a budgeted total program of \$745,350,000.

Thus, a program funded by the committee allowance is \$106,696,000 less than the program initially contemplated in the budget estimate. The program submitted to Congress included \$550,000,000 for Vietnam and \$195,350,000 for programs in Korea, Laos, Thailand, Jordan, Congo (Kinshasa), Dominican Republic, Haiti, and Panama. \$170,000,000 of this sum was scheduled for allocation to the first six countries named and much smaller programs were to be allocated to Haiti and Panama.

The amount of supporting assistance made available to the less-developed countries of the world has been diminishing over the years. In fiscal year 1968, it will not be provided to some 24 countries which were recipients in fiscal year 1960. The countries which have been removed from the list of supporting assistance recipients are Greece, Turkey, Iran, Afghanistan, Yugoslavia, Pakistan, Israel, Philippines, Burma, Taiwan, Indonesia, Spain, Iceland, Morocco, Tunisia, Senegal, Mali, Libya, Rwanda, Colombia, Ecuador, Guatemala, Bolivia, and Trinidad and Tobago. The committee was advised that supporting assistance to countries other than Vietnam has dropped from an aggregate of \$653,000,000 in fiscal year 1961 to the proposed level in the budget estimate in 1968 amounting to \$195,350,000, a reduction of approximately 70 percent. While supporting assistance has been used to create a solid foundation for economic and social development, this is by no means its primary function. It is designed primarily to protect and finance immediate U.S. foreign policy interests in countries which are threatened by economic and political instability and to help build the defensive strength of less-developed nations which are being subjected to Communist aggression.

CONTINGENCY FUND

1967 appropriation	\$35,000,000
1968 budget estimate	31,000,000
House allowance	10,000,000
Committee recommendation	10,000,000

The amount recommended by the committee is the same as the House allowance and \$21,000,000 under the budget estimate. Together with estimated carryover recoveries and reimbursements of \$33,671,000, the committee allowance will furnish the contingency fund with a total of \$43,671,000 for use in fiscal year 1968.

The contingency fund has been used to meet the urgent assistance needs which are either unforeseen or cannot be accurately defined in advance. Since its inception in 1958, this fund has proved to be indispensable as a reserve to meet emergency situations which have demanded an immediate response from the President to protect interests of the United States and to promote its national policy. During the past fiscal year, the contingency fund was used by the President to respond effectively to economic and political crises which have arisen in various less-developed countries. The extent of this response is clearly demonstrated in the following descriptive table:

Country	Amount (thousands)	Uses
Dominican Republic	\$7,175	Public safety, education, and loan for commodity financing.
Guatemala	1,000	Emergency impact program.
Haiti	400	Malaria eradication.
Panama	10,188	Urban impact program and loans for community programs.
Uruguay	400	Impact program of technical assistance-type program.
Indonesia	18,065	Technical assistance activities and loan for commodity financing.
Laos (SEA)	825	Technical assistance activities.
Thailand (SEA)	211	Do.
Jordan	2,000	Budgetary support.
NESA regional	217	Cholera control.
Sudan	3,700	Highway construction.
Lesotho	400	Independence Day gift.
American-sponsored schools and hospitals abroad	595	U.S.-supported medical center at AUB.
General technical services	500	Malaria eradication.
International aid coordination	29	Administrative expenses of supporting office for Asian Development Bank.
Disaster relief	4,269	Relief of victims of natural disasters and civil strife.
Total	49,770	

A detailed breakdown of the countries which received assistance for disaster relief in fiscal year 1967, in the amount of \$4,269,000, is shown below:

Algeria, floods	\$10,000
Brazil, floods	16,000
Chad, drought/famine	120,000
Colombia, fire	15,000
Cyprus, civil strife	34,000
Dominican Republic, hurricane	62,000
Ecuador, fire	3,000
Greece, earthquake	10,000
Guadeloupe, hurricane	6,000
Haiti, hurricane	24,000
India, cyclone	5,000
India, drought	25,000
India, smallpox epidemic	200,000
Indonesia, floods	1,000
Iraq, floods	115,000
Italy, floods	148,000
Jordan, evacuees	1,075,000
Laos, floods	229,000
Laos, reconstruction	25,000
Malawi, floods	3,000
Malaysia, floods	10,000
Martinique, hurricane	7,000
Mexico, hurricane	25,000
Mideast, ICRC grant	100,000
Morocco, epidemic	5,000
Nicaragua, polio epidemic	10,000
Panama, floods	9,000
Peru, earthquake	90,000
Peru, floods	16,000
Tasmania, fire	2,000
Thailand, floods	4,000
Turkey, earthquake	1,089,000
United Kingdom, maritime disaster	50,000
Vietnam, fire	25,000
Disaster relief support	100,000
Total	4,269,000

ALLIANCE FOR PROGRESS

TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

1967 appropriation	\$87,700,000
1968 budget estimate	110,000,000
House allowance	75,000,000
Committee recommendation	100,000,000

The committee recommends the sum of \$100,000,000, which is the same as the amount authorized for this item, \$10,000,000 under the budget estimate and \$25,000,000 more than the amount recommended by the House. The committee allowance is \$12,300,000 more than the sum appropriated in fiscal year 1967 and, according to testimony received by the committee, this increased amount will be used to expand programs in health, education, and agriculture. The committee was advised that 35 percent of the total technical assistance program for fiscal year 1968 is scheduled for use in the development of agriculture. This large sum is being directed to this area in order to enable the rapidly growing population of Latin America to reach adequate dietary levels; to allow agriculture, the largest single segment of economic activity in the Latin American region, to grow more rapidly; to develop their resources to the point which would make it possible for Latin American countries to make a substantial contribution toward an effort to overcome the growing world food deficit; and to expand national markets by providing more customers for manufactured goods.

The committee was gratified to learn that, since 1961 primary school enrollments in Latin America have increased by 23 percent; in secondary schools by 50 percent; and in universities by 39 percent. It was also encouraging to learn that most countries have increased their university budgets by 150 to 200 percent. Notwithstanding these achievements, a large amount of technical assistance is still needed to close the tremendous educational chasm created by the overwhelming education deficiency in Latin America. In this connection, the committee discovered that 50 percent of Latin American school age youth are still not enrolled in primary school, and the dropout rate for primary schools stands around 75 percent, and the secondary school dropout rate often reaches the 80-percent level.

While the vast bulk of the technical assistance funds have been directed toward the fields of health, education, and agriculture, the committee is cognizant of the good which has been accomplished in many other areas. For example, the committee learned that, in the field of tax reform, the Internal Revenue Service is assisting some 18 countries in improving tax administration and collection. As a result of this very sound technical aid program, the Internal Revenue Service has enlisted about 70 U.S. tax experts to assist the countries in Latin America in instituting income tax systems similar to the one in the United States. For the first time in history, tax evaders are now being prosecuted in Latin America.

DEVELOPMENT LOANS

1967 appropriation	\$420,300,000
1968 budget estimate	533,000,000
House allowance	370,000,000
Committee recommendation	478,000,000

For development loans under the Alliance for Progress, the committee recommends an appropriation of \$478,000,000, which is \$55,000,000 less than the budget estimated but \$108,000,000 more than the sum allowed by the House. In addition to the new obligational authority granted by the committee, carryover recoveries and receipts funds from fiscal year 1967, totaling \$45,612,000, will be available for this category of aid during fiscal year 1968. Thus, a total development loan program of \$523,612,000 is funded under the committee recommendation.

When this sum is added to the \$300,000,000 which the committee has appropriated in title II of the bill for the Fund for Special Operations of the Inter-American Development Bank, there will be available for lending to Latin American countries in fiscal year 1968 a total of \$823,612,000, which in the opinion of the committee should be adequate to meet the goals and objectives sought by the Alliance for Progress.

PARTNERS OF THE ALLIANCE

Committee recommendation.....\$714,000

The committee has included in the bill an appropriation of \$714,000 to finance activities authorized by section 252(b) of the authorization act under Alliance for Progress, Partners of the Alliance.

CARIBBEAN AREA

The committee believes that the United States, in cooperation with the United Kingdom and Canada, should establish close relationships with the nations in the Caribbean. In this connection, the committee notes with satisfaction the progress being made by Barbados and the new West Indies Associated States. The committee urges the President to promote the social and economic development of the region, through regional and other appropriate institutions which are or may be established for this purpose. The committee believes that we should promote our interest in this region wherever appropriate through the use of pilot technical assistance activities.

DEVELOPMENT LOANS

1967 appropriation.....\$500,000,000
1968 budget estimate.....774,000,000
House allowance.....400,000,000
Committee recommendation.....600,000,000

The committee recommends an appropriation of \$600,000,000 for development loans. This is an increase of \$200,000,000 over the House bill. However, it is \$35,000,000 less than the amount authorized in the recent Foreign Assistance Authorization Act. This appropriation finances loans which enable recipients to import U.S. goods and services essential to development which they cannot afford to buy with their own scarce foreign exchange or which they cannot finance from normal commercial sources. These loans finance irrigation works, private industrial facilities, fertilizer imports and plants, powerplants, raw materials, equipment, and spare parts. On a regional basis, the original program was as follows:

1967 appropriation.....\$500,000,000
1968 budget estimate.....774,000,000
House allowance.....400,000,000
Committee recommendation.....600,000,000

Fiscal year 1968 budget program

Region:
Africa.....\$90,000,000
East Asia.....86,000,000
Near East and South Asia.....686,000,000
Program support and interregional activities.....375,000
Total.....862,375,000
Less transfer from Alliance for Progress funds.....-125,000
Total.....862,250,000

AGENCY FOR INTERNATIONAL DEVELOPMENT

ADMINISTRATIVE EXPENSE

1967 appropriation.....\$55,813,500
1968 budget estimate.....59,325,000
House allowance.....55,800,000
Committee recommendation.....54,800,000

The committee recommends an appropriation of \$54,800,000 for the administrative expenses of the Agency for International Development. In addition, language included in bill continues the unobligated balances in the amount of \$1.6 million which amount had been denied by the House.

DEPARTMENT OF STATE

ADMINISTRATIVE EXPENSES

1967 appropriation.....\$4,095,000
1968 budget estimate.....3,400,000
House allowance.....3,255,000
Committee recommendation.....

The committee recommends the sum of \$3,255,000 for the administrative expenses of the Department of State, which is the amount allowed by the House.

MILITARY ASSISTANCE

1967 appropriation.....\$792,000,000
1968 budget estimate.....620,100,000
House allowance.....365,000,000
Committee recommendation.....510,000,000

¹ Includes estimate of \$24,100,000 for International Military Headquarters, originally included in the Department of Defense budget.

The committee recommends an appropriation of \$510,000,000 for military assistance, which is the same amount as the sum recently authorized by the Congress, \$110,100,000 under the budget estimate but \$145,000,000 more than the sum allowed by the House.

The committee has restored the full amount for this item permissible under law because it firmly believes that a reduction of the magnitude made by the House would have a seriously adverse impact on the present security objectives of the United States. The reduction incurred by the military assistance program during the authorization process approximates 18 percent of the budget estimate, which the committee thinks is an appreciable cutback, perhaps more than this program should be required to endure during these perilous times. The further reduction made by the House would result in a reduction of approximately 42 percent of the budget estimate.

The budget estimate for military assistance submitted to Congress in January called for an appropriation of \$596,000,000, but did not include the \$24,100,000 for International Military Headquarters, which item was transferred to the Department of Defense appropriation bill. The Foreign Relations Committee of the Senate declined to give up jurisdiction of this item, and the sum was dropped from the bill making appropriations for the Department of Defense.

Approximately 80 percent of the funds provided for military assistance will be used to fund programs in five "forward defense" countries; namely, Greece, Turkey, Iran, Korea, and the Republic of China. At the present time, these nations contribute fighting forces of 2 million men and they make available important military bases, both of which contribute greatly to the mutual security of the non-Communist world. All of these countries are presently carrying an increasing part of the cost of their defense forces, and it is not possible for them to increase greatly their financial burden at this time without serious and disruptive economic and political consequences.

The committee was informed that the largest single beneficiary under the military assistance program will be Korea, which provides a two-division force of some 46,000 men to assist in South Vietnam. This contribution by Korea is made all the more commendable when it is realized that, while the country is assisting in South Vietnam, it is faced with intensified North Korean Communist pressures in the demilitarized zone of its own country.

Along with the countries already mentioned, military assistance will also go to the countries listed below in fiscal year 1968:

Far East:	Africa—Continued
China, Republic of	Tunisia
Indonesia	Latin America:
Korea	Argentina
Philippines	Bolivia
Near East and South Asia:	Brazil
Greece	Chile
Iran	Colombia
Jordan	Dominican Republic
Turkey	Ecuador
Europe:	El Salvador
Portugal	Guatemala
Spain	Honduras
Africa:	Nicaragua
Congo (Kinshasa)	Panama
Ethiopia	Paraguay
Liberia	Peru
Libya	Uruguay
Morocco	

In the following countries, materiel assistance will not be made available under the MAP; however, training funds will be funded in each of them:

Africa:	Far East: Malaysia
Ghana	Near East and South Asia:
Guinea	Afghanistan
Nigeria	Ceylon
Senegal	Iraq
Sudan	Lebanon
Latin America:	Nepal
Costa Rica	Saudi Arabia
Mexico	Syria
Venezuela	Europe: Austria

The following proviso, included in the House bill, has been deleted:

Provided further, That none of the funds contained in this paragraph and none of the funds contained in the military assistance credit sales revolving fund shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country (as defined on page 142 of part 2 of the printed hearings of the House Committee on Appropriations on the fiscal year 1968 Foreign Assistance Appropriations) other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea.

A provision relating to this same subject was included in the authorization act. The committee has substituted for the House provision the following language, closely resembling the former:

Provided further, that none of the funds appropriated in this paragraph (including funds used for the military assistance credit sales revolving fund) shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country, when the President finds that such funds or the recipient or purchasing country's own resources are being used for unnecessary military expenditures, to a degree which materially interferes with its development. In making such finding, the President shall take into account (1) the percentage of the recipient or purchasing country's budget which is devoted to military purposes, and (2) the degree to which the recipient or purchasing country is using its foreign exchange resources to acquire military equipment.

GENERAL PROVISIONS

CARRYOVER BALANCES

Heretofore, the Congress has authorized the carryover of unobligated balances and the use of estimated recoveries (deobligations). Language authorizing such use was not included in the House bill this year.

The committee has included the following language in the bill, which will have the effect of increasing the amounts available over the sum allowed by the House by \$79,700,000.

Unobligated balances as of June 30, 1967, of funds heretofore made available under the authority of the Foreign Assistance Act of 1961, as amended, except as otherwise provided by law, are hereby continued available for the fiscal year 1968, for the same general purposes, for which appropriated and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Economic Assistance" are hereby continued available for the same period as the respective appropriations in such subparagraphs for the same

general purpose: Provided, That such purpose relates to a project or program previously justified to Congress and the Committees on Appropriations of the House of Representatives and the Senate are notified prior to the reobligation of funds for such projects or programs.

The House continued available only the estimated unobligated balance in the contingency fund of \$29.5 million.

DISTINCTIONS BECAUSE OF RACE OR RELIGION AMONG AMERICAN CITIZENS

The following section 106, which has been included in the bill for many years and which was deleted on the House floor, has been restored to the bill by the committee:

Sec. 106. It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to U.S. citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine.

RESEARCH

Section 113 of the House bill limited the amount available for research to \$5,000,000. This sum has been increased by the committee to \$10,000,000, which is the amount requested by the administration. AID is directed to utilize excess U.S.-owned foreign currencies to the greatest extent possible in connection with this program.

WITHHOLDING ECONOMIC ASSISTANCE

Section 119, included in the bill in the House committee, has been deleted by the Senate committee. Under the heading, "Military Assistance," it was explained that the committee has included in the bill language which is similar to language agreed to in the authorization act relating to the subject of underdeveloped countries purchasing sophisticated military equipment.

FOREIGN INVESTMENT GUARANTEE FUND

It was developed during the course of the hearings that an estimated balance of \$303,168,673 remained as reserves for the foreign investment guarantee programs. The committee feels that since the cash in the fund has steadily increased since 1956 to the above amount mentioned it would be in order for the fund to pay off its obligations to the Treasury, which amount to \$199,071,521. The remaining balance of \$104,097,151 will be more than adequate to take care of any claims that may arise especially in view of the fact that these guarantees bear the full faith and credit of the United States. The

following language provision has been included in the bill by the committee:

Sec. 119. Hereafter, none of the funds obtained or authorized to be obtained from the sale of notes under authority of paragraph 111(c)(2) of the Economic Cooperation Act of 1948 or paragraph 413(b)(4)(F) of the Mutual Security Act of 1954 may be used for the purpose of discharging liabilities under any guaranties (exclusive of informational media guaranties) issued under sections 221(b) and 224 of the Foreign Assistance Act of 1961, sections 202(b) and 413(b)(4) of the Mutual Security Act of 1954, and section 111(b)(3) of the Economic Cooperation Act of 1948. Any portion of the funds in the reserve established pursuant to section 222(e) of the Foreign Assistance Act of 1961 which are attributable to the funds realized from the sale of notes specified in the preceding sentence shall be transferred to the general fund of the Treasury. The Secretary of the Treasury shall cancel all such notes and sums owing and unpaid thereon, including interest to date of cancellation.

TITLE II—FOREIGN ASSISTANCE (OTHER) FUNDS APPROPRIATED TO THE PRESIDENT

PEACE CORPS

1967 appropriation	\$110,000,000
1968 budget estimate	118,700,000
House allowance	105,000,000
Committee recommendation	110,000,000

LIMITATION ON ADMINISTRATIVE EXPENSES

1967 appropriation	(\$24,916,000)
1968 budget estimate	(28,400,000)
House allowance	(28,400,000)
Committee recommendation	

For the Peace Corps, an appropriation of \$110,000,000 is recommended. This sum is \$5,000,000 over the House bill.

As of June 30, 1967, it was anticipated that 11,895 volunteers would be serving overseas in the following 51 countries or areas:

Volunteers in country (as of June 30, 1967)

Country	Number	Country	Number
Africa:		Latin America:	
Ghana	208	Brazil	601
Nigeria	719	Chile	392
Sierra Leone	236	Colombia	522
Tanzania	290	El Salvador	105
Cameroon	77	Jamaica	101
Ethiopia	432	Windward-Leeward Islands	89
Gabon	71	Venezuela	351
Ivory Coast	71	Bolivia	303
Liberia	317	British Honduras	42
Niger	129	Costa Rica	154
Malawi	153	Dominican Republic	140
Senegal	75	Ecuador	255
Somali Republic	96	Guatemala	140
Togo	109	Honduras	174
Kenya	229	Panama	171
Uganda	118	Peru	349
Botswana	56	Uruguay	61
Chad	30	Guyana	44
Mauritania	11	Paraguay	35
Total, Africa	3,427	Total, Latin America	4,032
East Asia-Pacific:		North Africa, Near East, south Asia:	
Malaysia	567	India	1,133
Philippines	601	Morocco	83
Thailand	321	Tunisia	252
Korea	92	Afghanistan	207
Micronesia	448	Iran	267
Total, East Asia-Pacific	2,029	Nepal	221
		Turkey	225
		Libya	18
		Total, North Africa, Near East, south Asia	2,409

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

RYUKYU ISLANDS; ARMY	
ADMINISTRATION	
1967 appropriation	\$14,948,000
1968 budget estimate	14,956,000
House allowance	14,956,000
Committee recommendation	14,956,000

The committee allowance for this item is \$14,956,000, the amount of the budget estimate and the amount allowed by the House. The sum made available hereunder will provide \$12,000,000 for the Ryukyuan economy, which is the same sum as was appropriated for fiscal year 1967. A summary of the obligations budgeted for fiscal year 1968 is tabulated below:

Administrative activities	\$2,956,000
Pay of personnel	2,562,000
Travel of civilian employees	119,000
Information materials and services	140,000
Operating expenses	135,000
Aid to the Ryukyuan economy	12,000,000
Reimbursement for government services	1,200,000
1. Public safety services	800,000
2. Public health and sanitation services	400,000
Contribution to government projects	8,563,000
1. Educational program	4,100,000
(a) Assistance for Ryukyuan teachers' salaries payment	1,000,000
(b) Public school construction	1,800,000
(c) Vocational educational equipment	460,000
(d) Equipment for public schools	700,000
(e) University of the Ryukyus	50,000
(f) English language training	80,000
2. Social welfare programs	583,000
(a) Government retirement program	618,000
(b) Medical insurance program	265,000
3. Public health and medical program	595,000
(a) Disease control	450,000
(b) Leprosaria	75,000
(c) Health centers and dispensaries	45,000
(d) Medical books and periodicals	25,000
4. Public safety facilities	60,000
(a) Traffic control signal lights	20,000
(b) Police vehicles	40,000
5. Public works and economic development	1,725,000
(a) Roads and bridges	1,200,000
(b) Municipal housing	200,000
(c) Agricultural land development	75,000
(d) Airfield improvement	250,000
6. Construction of sewer system	1,200,000
Transportation of commodities	5,000
Technical education and training	1,302,000
Technical cooperation	930,000

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

ASSISTANCE TO REFUGEES IN THE UNITED STATES

1967 appropriation	\$51,000,000
1968 budget estimate	49,000,000
House allowance	49,000,000
Committee recommendation	49,000,000

The committee recommends an appropriation of \$49,000,000, which is the same as the budget estimate for new obligational authority and the House allowance. The committee has granted the request for the

reappropriation of \$4,500,000 of the unobligated balances which existed at the end of fiscal year 1967.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

1967 appropriation	\$6,050,000
1968 budget estimate	5,660,000
House allowance	5,500,000
Committee recommendation	5,000,000

The committee recommends the appropriation of \$5,000,000. The budget program was designed to finance the activities listed below:

Intergovernmental Committee for European Migration	\$2,500,000
United Nations High Commissioner for Refugees	600,000
Refugees from European Communist countries	750,000
Refugees from Communist China	400,000
Tibetan refugees	100,000
Cuban refugees	619,000
Administration	641,000
Contribution to the International Committee of the Red Cross	50,000

The committee sum of \$5,000,000 is \$500,000 less than the House bill and \$660,000 less than the budget estimate. In making this reduction, the committee directs the administration to review this entire program and eliminate those activities which are no longer considered essential.

FUNDS APPROPRIATED TO THE PRESIDENT

INVESTMENT IN THE INTER-AMERICAN DEVELOPMENT BANK

1967 appropriation	\$250,000,000
1968 budget estimate	300,000,000
House allowance	300,000,000
Committee recommendation	300,000,000

The committee concurs in the House allowance for this item, which is the same as the budget estimate.

The Inter-American Development Bank (IDB) is an intergovernmental institution, corporate in form, whose capital stock is owned by its member governments. The Bank promotes economic development in member countries through loans, technical assistance, and guarantees of private investment in development projects. Twenty Western Hemisphere republics, including the United States, are members of the Bank (Trinidad and Tobago is now completing steps to become the Bank's 21st member), and all have completed required payments on their original authorized subscriptions and quotas. Cuba is not a member of the Bank.

The Bank's authorized ordinary capital is now the equivalent of \$2,150,000,000 of which \$1,770,000,000 had been subscribed as of March 31, 1967. Of the total subscribed, the equivalent of \$381,580,000 has been paid in, and the remaining \$1,388,420,000 is subject to call by the Bank if required to meet its obligations arising out of borrowings or guarantees. The Bank's original authorized capital of \$850,000,000 was enlarged to \$2,150,000,000 in 1964 through an increase of \$1,000,000,000 in callable capital, and an increase of \$300,000,000 to provide for the possible admission of new members.

Public Law 86-147, approved August 7, 1959, authorized U.S. membership in the Bank, and authorized appropriation of \$350,000,000 to cover the U.S. subscription to ordinary capital, of which \$150,000,000 was paid in and \$200,000,000 was callable. Public Law 88-259, approved January 22, 1964, authorized appropriation of an additional \$411,760,000 to cover an increase in the U.S. callable subscription. The U.S. subscription, as of March 31, 1967, totaled \$761,760,000.

The committee was informed that by March 31, 1967, Bank commitments from ordinary capital had reached \$783,200,000 on 142 loans.

In addition to its ordinary capital operations, the Bank lends from its Fund for Special Operations in circumstances where ordinary capital financing is not appropriate. The initial resources of this fund totaled \$146,300,000, one-half payable in dollars and one-half in member currencies. The resources of the fund were increased to \$219,500,000 in 1964 and again to \$1,119,500,000 in 1965. Public Law 86-147, approved August 7, 1959, authorized payment of the initial U.S. quota of \$100,000,000; Public Law 88-259, approved January 22, 1964, authorized payment of \$50,000,000 for the first increase in the U.S. quota. U.S. payments totaling \$750,000,000 for the second increase in the U.S. quota were made in three successive \$250,000,000 installments pursuant to authority contained in Public Law 89-6 of March 24, 1965.

Public Law 90-88, approved September 22, 1967, authorized an appropriation of \$900,000,000 for the Fund for Special Operations of the IDB to be provided in three installments over a period of 3 years. The appropriation made hereunder represents the first such installment. The Fund for Special Operations of the IDB is the so-called "soft-loan window" of the Bank because its loans are repayable in local currencies. Loans from this fund are made only to countries located in Latin America for economic and social development purposes.

SUBSCRIPTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

1967 appropriation	\$104,000,000
1968 budget estimate	104,000,000
House allowance	104,000,000
Committee recommendation	104,000,000

For this item, the committee concurs in the budget estimate and the amount allowed by the House of \$104,000,000. Public Law 86-565, which was approved June 30, 1960, authorized the United States to become a member of the International Development Association, an affiliate of the International Bank for Reconstruction and Development, and provided for subscriptions by our Government totaling \$320,290,700. This amount was to be paid in an initial installment of \$73,666,700 and four equal annual installments of \$61,656,000, the last of which was made in November of 1964. Increased participation by the United States in the association was authorized by Public Law 88-310, which was approved May 26, 1964, and it provided that our Government will contribute \$312,000,000, payable in three annual installments commencing in fiscal year 1966. The first of these installments was funded in the Foreign Assistance Appropriation Act of 1966; the second in the act of 1967, and the third and final installment is provided in the present bill.

Through December 31, 1966, IDA had signed credits amounting to \$1,650,000,000 (net of cancellations) involving credits to 36 countries and territories. The largest borrowers are India (\$890,000,000) and Pakistan (\$329,000,000). IDA credits for these countries are provided within the framework of the consortia of capital-providing countries which the International Bank has organized for each. Five other countries of Asia and the Middle East were extended a total of \$48,000,000. In Latin America 10 countries have received IDA development credits totaling \$108,000,000, while 18 African nations have received \$194,000,000 of such credits. Turkey has received credits totaling \$81,000,000. Disbursements of IDA credits as of December 31, 1966, were \$828,000,000.

IDA has extended credits for the following purposes:

Electric power	\$120,000,000
Transportation	564,000,000
Communications	75,000,000
Agriculture and forestry	248,000,000
Industry	501,000,000
Water supply	43,000,000
Education	97,000,000
Project preparation	2,000,000
Total	1,650,000,000

TITLE III—EXPORT-IMPORT BANK OF WASHINGTON

LIMITATION ON OPERATING EXPENSES

1967 appropriation	(\$2,708,241,000)
1968 budget estimate	(2,850,000,000)
House allowance	(2,550,000,000)
Committee recommendation	(2,850,000,000)

LIMITATION ON ADMINISTRATIVE EXPENSES

1967 appropriation	(\$4,262,000)
1968 budget estimate	(4,190,000)
House allowance	(4,190,000)
Committee recommendation	(4,190,000)

The President's budget proposed a lending program of \$2,850,000,000 and this limitation was reduced by the House to \$2,550,000,000, a reduction of \$300,000,000. The committee has approved the full lending program proposed in the budget of \$2,850,000,000. It realized that in approving the full estimate for the lending program its use will be contingent upon enactment into law of the amendments to the Export-Import Bank Act of 1945, which are now pending before the Congress. The committee was advised that these amendments have passed the Senate and are currently being considered by the House of Representatives.

The committee has approved the budget estimate of \$4,190,000 as a limitation on administrative expenses, a reduction of \$72,000 below the limitation of last year. In addition, the committee has increased the Bank's representation allowances to \$12,000, from \$9,000 previously made available.

TITLE IV—GENERAL PROVISION

CONTINUING RESOLUTION

The committee has inserted the following language in the bill:

Sec. 404. The joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out "December 2, 1967" and inserting in lieu thereof "December 18, 1967".

The authority of the joint resolution of October 5 originally expired at the close of business October 23. House Joint Resolution 888, as it passed the House on October 18, extended the termination date of the continuing resolution to November 23. This resolution, however, contained several restrictive provisions as it passed the House, which the Senate deleted. The Senate also extended the termination date to November 15, 1967.

The conferees from the House and Senate have met on five separate occasions and thus far have been unable to resolve the differences between the two bodies. In the meantime, an amendment to the District of Columbia Appropriation Act, 1968, was approved by the Congress, extending the termination date to November 9. House Joint Resolution 936 passed the two Houses November 28, 1967, and extended the termination date to December 2, 1967. The committee amendment further extends the termination date to December 18, 1967.

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1967 AND THE BUDGET ESTIMATES FOR 1968 AND AMOUNTS RECOMMENDED IN THE BILL

TITLE I—FOREIGN ASSISTANCE

Item	Appropriation, 1967	Budget estimate, 1968	House bill, 1968	Amount recommended by Senate committee	Increase (+) or decrease (—) compared with:	
					Appropriation, 1967	House bill, 1968
FUNDS APPROPRIATED TO THE PRESIDENT						
ECONOMIC ASSISTANCE						
Technical cooperation and development grants.....	\$200,000,000	\$242,815,000	\$192,000,000	\$210,000,000	+\$10,000,000	-\$52,815,000
American schools and hospitals abroad.....	10,000,000	13,000,000	10,000,000	10,000,000	—	—
Surveys of investment opportunities.....	(7,000,000)	2,000,000	(7,000,000)	(7,000,000)	—	—
International organizations and programs.....	140,433,000	140,950,000	125,000,000	130,000,000	+10,433,000	+5,000,000
Supporting assistance.....	600,000,000	550,000,000	600,000,000	600,000,000	—	—
Supporting assistance, Vietnam.....	170,000,000	170,000,000	170,000,000	170,000,000	—	—
Contingency fund.....	35,000,000	31,000,000	10,000,000	10,000,000	-25,000,000	-21,000,000
Alliance for Progress.....	87,700,000	110,000,000	75,000,000	100,000,000	+12,300,000	+25,000,000
Technical cooperation and development grants.....	420,300,000	1,532,000,000	370,000,000	473,000,000	+107,000,000	+103,000,000
Development loans.....	—	—	—	714,000	+714,000	+714,000
Partners of the Alliance.....	500,000,000	774,000,000	400,000,000	600,000,000	+100,000,000	+200,000,000
Development loans.....	55,513,500	59,225,000	55,500,000	54,900,000	-5,000,000	-1,000,000
Administrative expenses, AID.....	4,065,000	3,400,000	3,255,000	3,255,000	-810,000	-145,000
Administrative expenses, State.....	—	—	—	—	—	—
Subtotal, economic assistance.....	2,144,330,500	2,650,420,000	1,831,555,000	2,305,350,000	+\$473,795,000	-\$376,185,000
MILITARY ASSISTANCE						
Military assistance.....	792,000,000	620,100,000	595,000,000	595,000,000	-297,000,000	-193,000,000
Total, title I, foreign assistance.....	\$2,936,330,500	\$3,270,520,000	\$2,426,555,000	\$2,900,350,000	-\$510,175,000	-\$376,185,000

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TITLE II—FOREIGN ASSISTANCE (OTHER)

FUNDS APPROPRIATED TO THE PRESIDENT						
Peace Corps.....	\$110,000,000	\$113,700,000	\$105,000,000	\$110,000,000	—	—
Limitation on administrative expenses.....	(24,010,000)	(28,400,000)	(28,400,000)	(28,400,000)	—	—
DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS						
EUROPEAN ISLANDS, ARMY						
Administration.....	14,948,000	14,950,000	14,950,000	14,950,000	—	—
Pre-travel claims.....	21,040,000	—	—	—	—	—
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE						
Assistance to refugees in the United States.....	51,000,000	140,000,000	140,000,000	140,000,000	—	—
DEPARTMENT OF STATE						
Migration and refugee assistance.....	6,050,000	5,600,000	5,500,000	5,000,000	-500,000	-500,000
FUNDS APPROPRIATED TO THE PRESIDENT						
Investment in Inter-American Development Bank.....	250,000,000	300,000,000	300,000,000	300,000,000	—	—
Subscription to the International Development Association.....	104,000,000	104,000,000	104,000,000	104,000,000	—	—
Total, title II, foreign assistance (other).....	\$357,038,000	\$552,310,000	\$375,450,000	\$352,950,000	-\$24,088,000	-\$4,088,000

See footnotes at end of table, p. 26.

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TITLE III--EXPORT-IMPORT BANK OF WASHINGTON

Item	Appropriation, 1967	Budget estimate, 1968	House bill, 1968	Amount requested by Senate committee	Increase (+) or decrease (-), compared with--		
					Appropriation, 1967	Budget estimate, 1968	House bill, 1968
Limitation on operating expenses.....	(\$2,708,244,000)	(\$2,860,000,000)	(\$2,860,000,000)	(\$2,860,000,000)	(+)\$151,756,000		(+)\$200,000,000
Limitation on administrative expenses.....	(4,202,000)	(4,190,000)	(4,190,000)	(4,190,000)	(-72,000)		
Total, title III, Export-Import Bank.....	(\$2,712,446,000)	(\$2,864,190,000)	(\$2,864,190,000)	(\$2,864,190,000)	(141,687,000)		(+)\$200,000,000
Grand total, all titles.....	3,493,368,500	3,842,830,000	2,775,011,000	3,302,345,000	-191,023,500	-540,491,000	+827,334,000

¹ Includes \$10,000,000 for development grants, and \$90,000,000 for development loans contained in H. Doc. 122.
² Includes \$1,000,000 for development grants, and \$9,000,000 for development loans contained in H. Doc. 122.
³ Unobligated balances as of June 30, 1967, requested to be reappropriated.
⁴ Appropriation of unobligated balances as of June 30, 1967, with the exception of \$3,477,844 for the Contingency Fund, not approved.
⁵ Unobligated balances as of June 30, 1967, of \$31,399,137, as follows:
 Technical assistance.....\$8,354,964
 Alliance for Progress technical assistance.....3,303,810
 Supporting assistance.....4,231,354
 American schools and hospitals abroad.....43,708

Surveys of investment opportunities.....\$290,116
Administrative expenses, AID.....1,940,730
Administrative expenses, State.....20,063
Total economic assistance.....19,467,975
Total military assistance.....11,931,162
Total.....31,399,137

⁶ Reflects reduction of \$1,700,000 contained in H. Doc. 130.
⁷ In addition, reappropriation of \$4,500,000 of unobligated balance of fiscal year 1967.
⁸ Appropriation of unobligated balances as of June 30, 1967, not approved.
⁹ Contained in H. Doc. 122.

Calendar No. 792

90TH CONGRESS }
1st Session }

SENATE

REPORT
No. 807

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1968

NOVEMBER 28, 1967.—Ordered to be printed

Mr. PASTORE, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H. R. 13893]

The Committee on Appropriations, to which was referred the bill (H. R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made.

Amount of bill as passed House..... \$2, 775, 011, 000
Amount of increase by Senate committee..... 527, 334, 000

Amount of bill as reported to the Senate..... 3, 302, 345, 000
Amount of estimates, 1968..... 3, 842, 836, 000
Amount of appropriations, 1967..... 3, 493, 368, 500

The bill as reported to the Senate:

Under the estimates for 1968..... 540, 491, 000
Under the appropriations for 1967..... 191, 023, 500

Volunteers in country (as of June 30, 1967)

Country	Number	Country	Number
Africa:		Latin America:	
Ghana.....	208	Brazil.....	601
Nigeria.....	719	Chile.....	392
Sierra Leone.....	236	Colombia.....	522
Tanzania.....	290	El Salvador.....	105
Cameroon.....	77	Jamaica.....	101
Ethiopia.....	432	Windward-Leeward Islands.....	89
Gabon.....	71	Venezuela.....	351
Ivory Coast.....	71	Bolivia.....	303
Liberia.....	317	British Honduras.....	42
Niger.....	129	Costa Rica.....	154
Malawi.....	153	Dominican Republic.....	140
Senegal.....	75	Ecuador.....	255
Somali Republic.....	96	Guatemala.....	140
Togo.....	109	Honduras.....	174
Kenya.....	229	Panama.....	171
Uganda.....	118	Peru.....	349
Botswana.....	56	Uruguay.....	65
Chad.....	30	Guyana.....	44
Mauritania.....	11	Paraguay.....	35
Total, Africa.....	3, 427	Total, Latin America.....	4, 033
East Asia-Pacific:		North Africa, Near East, south	
Malaysia.....	567	Asia:	
Philippines.....	601	India.....	1, 133
Thailand.....	321	Morocco.....	83
Korea.....	92	Tunisia.....	252
Micronesia.....	48	Afghanistan.....	207
Total, East Asia-Pacific.....	2, 049	Iran.....	267
		Nepal.....	221
		Turkey.....	225
		Libya.....	18
		Total, North Africa, Near	
		East, south Asia.....	2, 409

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

RYUKYU ISLANDS, ARMY

ADMINISTRATION	
1967 appropriation.....	\$14, 948, 000
1968 budget estimate.....	14, 956, 000
House allowance.....	14, 956, 000
Committee recommendation.....	14, 956, 000

The committee allowance for this item is \$14,956,000, the amount of the budget estimate and the amount allowed by the House. The sum made available hereunder will provide \$12,000,000 for the Ryukyuan economy, which is the same sum as was appropriated for fiscal year 1967. A summary of the obligations budgeted for fiscal year 1968 is tabulated below:

Administrative activities.....	\$2,956,000
Pay of personnel.....	2,562,000
Travel of civilian employees.....	119,000
Information materials and services.....	140,000
Operating expenses.....	135,000
Aid to the Ryukyuan economy.....	12,000,000
Reimbursement for government services.....	1,200,000
1. Public safety services.....	800,000
2. Public health and sanitation services.....	400,000
Contribution to government projects.....	8,563,000
1. Educational program.....	4,100,000
(a) Assistance for Ryukyuan teachers' salaries payment.....	1,000,000
(b) Public school construction.....	1,800,000
(c) Vocational educational equipment.....	460,000
(d) Equipment for public schools.....	700,000
(e) University of the Ryukyus.....	55,000
(f) English language training.....	85,000
2. Social welfare programs.....	883,000
(a) Government retirement program.....	618,000
(b) Medical insurance program.....	265,000
3. Public health and medical program.....	595,000
(a) Disease control.....	450,000
(b) Leprosaria.....	75,000
(c) Health centers and dispensaries.....	45,000
(d) Medical books and periodicals.....	25,000
4. Public safety facilities.....	60,000
(a) Traffic control signal lights.....	20,000
(b) Police vehicles.....	40,000
5. Public works and economic development.....	1,725,000
(a) Roads and bridges.....	1,200,000
(b) Municipal housing.....	200,000
(c) Agricultural land development.....	75,000
(d) Airfield improvement.....	250,000
6. Construction of sewer system.....	1,200,000
Transportation of commodities.....	5,000
Technical education and training.....	1,302,000
Technical cooperation.....	930,000

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

ASSISTANCE TO REFUGEES IN THE UNITED STATES

1967 appropriation.....	\$51,000,000
1968 budget estimate.....	49,000,000
House allowance.....	49,000,000
Committee recommendation.....	49,000,000

The committee recommends an appropriation of \$49,000,000, which is the same as the budget estimate for new obligational authority and the House allowance. The committee has granted the request for the

注意

1. 本電の取扱いは慎重を期せられたい。
2. 本電の主管変更その他については検閲班に連絡ありたい。

電信写

総務局 (T.A.)

連絡ありたい

主管

大政参事官
務務次
巨官官審審長

人計会領審

文電領旅

参資官

参官給厚

参北東

参総中西

参北米

参北

参南

参中住

参参英

参西東

参参ア

参長近

参参国米ア

参参統ラ

参参通ス

参参経賠

参参政技

参参賠

参参経

参参協

参参規

参参軍社專

参参政経科

参参内

参参道外

参参文

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参参文

68年5月23日19時10分ワシントン
68年5月24日18時30分本省

外務大臣殿 下田大使 臨時代理大使 総領事 代理

当国の対オキナワ援助

第1573号 略

23日国務省日本部担当官はキウチに対しオキナワ援助につき次の通り語った。

客年10月プライス法改正法案が議会において可決された結果、米国政府の対オキナワ援助限度額は1200万ドルから1750万ドルに上げられた。しかしその中議会の支出承認を得ているのは1200万ドルについてのみであり、増額分の550万ドルについては目下財務省予算局において議会の承認を求めるべく作業中である。予算局がなお信号を出すことについては、それほどの困難はないものと思っているが、議会の支出承認を得ることについては当面の当国財政状況にかんがみ、特に既に年度末にさしかかっている関係から、決してらっ観をゆるさない状況にある。

もとよりオキナワの主席公選をひかえて、米国民政府としても積極的な施策を進める立場にあり、従つて国務省、陸軍省としては本件支出承認をとりつけるための当然の努

外務省

注意

1. 本電の取扱いは慎重を期せられたい。
2. 本電の主管変更その他については検閲班に連絡ありたい。

電信写

力をする事になつており、要すればアンガー高等弁務官にも一時帰国してもらふことともなろう。現時点での援助予算の使用状況は大体1200万ドルの3分の2を既に支出しており、前年度のくり越金を合算すれば大体1200万ドルに近いものが使用済と思われる。69会計年度の1750万ドルについては一括支出承認を得ることにさほどの困難はないとみている。今後1750万ドルの援助限度額を更に引上げる可能性があるかどうかについては、米国の大統領選挙がすむまでは到てい無理であり、また財政緊縮の強い要請にかんがみて、極めて困難というべく、ベトナム戦費が大はばに削減をみる時点において再検討する他ないであろう。

(7)

—2—

外務省

注意

1. 本電の取扱いは慎重を期せられたい。
2. 本電の主管変更その他については検閲班に連絡ありたい。

電信写

大政事外外
務務 房
次次
臣官官審審長

領人会営計

総文電厚給

領参旅移
長領使

参
調析

参心東
長中西

米参保中参中
長北参南

欧参英
長西東

近参ア
長近

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総番号(TA) 24734 主管
68年6月26日 31時40分 参
68年6月27日 10時53分 本省 参
外務大臣殿 田大使 臨時代理大使 総領事 代理

米国の対ホキナワ援助

第1961号 略

往電第1573号及び第1670号2。に関し

本件のその後の進ちよく状況に関し26日国務省日本部担
当官に対しサトウより照会したところ同担当官は次のとお
り述べた趣。

1。上院は26日要請額全額(5.5百万ドル)を承認し
た。

2。他方下院は12日要請額の承認を拒否する旨の議決を
している。

3。よつて、上下両院間のCONFERENCE COM
MITTEEにおいて調整されることになるが、承認額の
見通しとしては3百万ドル位になるものと見ている。右C
OMMITTEEにおける調整は一両日中に行なわれるも
のと思われるが、結果入手次第お知らせする。

(3)

北米

〔卷之二十三 讀書錄〕上院本

増額を実現したいと希望してゐる

2011年11月

2

27-00 00

Supplemental Appropriation

43.7.3 特送へ2部

注意

1. 本電の取扱いは慎重を期せられたい。
2. 本電の主管変更その他については検閲班に連絡ありたい。

電信写

号 (TA) 2555

主管

大政事外官
務務
次次
臣官官審審長

68年7月2日17時01分

発着

68年7月3日10時07分

本省

備人会営計

外務大臣殿

下田大使

臨時代理大使 総領事 代理

参文電厚給

領参旅移

長領往

国資長

ア北東

長中西

米参保中参

長北密南

欧参英

長西東

近参ア

近ア長

経参国

参調統ラ

長一通ス

参経賠償

協政技賠償

長国賠償

条参協

長条規

国参軍社專

長政経科

参内

長道外

文文

文二

米国の68年度対オキナワ援助

第2028号 略

往電第1961号に関し

2日国務省日本部担当官がサトウに歸れる本件その後の情
況次のとおり。

1. 上下両院間の CONFERENCE COMMITTEE が1日開かれたが (秘密会)、要請額は全然承認されなかった。

2. 下院は2日本件 COMMITTEE の決定を承認し、
上院も同日夕刻ころ表決をする予定。

3. 従来のかん習からいつて一度 COMMITTEE で決定されたことを各院が再びくつがえすという例は余りみられないので、上院も COMMITTEE の決定を承認するのではないかと思われる。

4. 以上要するに国務省としては、おりにふれ御説明したとおり、本件実現にはかなりの困難があると感じていたが、アンガー高等弁務官の一時帰国の際の公ちよう会における議会の反応あるいは国務省が接触してきた議会の反応がそれほど悪くなく、特に上院の反応がよかつたので、いささ

注意

1. 本電の取扱いは慎重を期せられたい。
2. 本電の主管変更その他については検閲班に連絡ありたい。

電信写

て緊縮財政のすう勢下においてはプライス法改正額いつ
ばいの承認を得ることは所せん無理なことであつたと認

めざるを得ず、遺憾に思っている。

(3)

北米課長

政策課長

17 南米課長

第 5567 号

昭和 43 年 7 月 7 日

外務大臣殿

在

米田大



対外援助授权法案（上院外交委員会の可決）

経電第 2227 号に因り



1 上院外交委員会は、下院より廻付された本件

授权法案を審議した結果、7月26日下院系を

更に下廻り、1964.5.00 千円の授权額（過去

21年間の最小額）を可決したと認め、行政執行の

施策を制限する等の修正案も付した上、

法案を本会議に付した。

GA-4

外務省

主要項目別授权額及び主要修正事項の概要

2 授权額（単位 千円）

南米借款 150,000

技術協力 200,000

在外米国人学校病院 18,600

投資機会調査 —

進歩のための同盟 420,000

国際機関への拠出 121,000

支持援助 800,000

緊急基金 10,000

行政費 50,000

経済援助計 1,640,800

軍米援助 365,000

総計 2,965,800

GA-4

外務省

主要修正事項

(1) 南登借款 (進歩のための同盟の借款も含む)

金利の引上げ (最初の10年間の金利を2%から

2.5%に、その後、金利を2.5%から3.5%に)

(2) 投資保証適用の厳格化

(3) 投資機会調査計画に対する授权拒否

(4) ミサイル等 南登の進んだ兵器の他同会国

向け援助制限

(5) AID 融資物資 及び同供給者に対する

行政管理の強化

(6) 政府所有過剰物資の援助面への活用制限

(7) 北越連戦のベトナム向け売却議決

(8) 連戦林産丸太の対日輸出制限

なお、下院が会議で拒否された「キューバとの貿易関

税に対する軍事売却禁止条項」は、おとされてい

COMMITTEE REPORT

1990

外 務 省

3. 当方より米國の遷移にともなう政權交替により米側のオキナワ施策になんらかの影響ありや質問せるのに対し、岡名ともはつきりしたことはなにも言わなかつたが、シエナはかりに共和党政權が出現した場合に於自分は陸軍省を去る以外にないと共和黨に批判的なコメントをしていた。

(3)

外務省

アメリカ局長
参事官
北米課長

送 付 公 信

要再回南方

政 第 7285 号	昭和 43 年 10 月 3 日	
外 務 大 臣 殿	在 米 下 田 大 使	
引用公信・電信番号		
送 付 資 料		
1. 1969年度(1968年7月-1969年6月)海外援助法案 H.R. 19908		
2. 上記に關する上院才出委員会報告書 Senate Report No. 1595		
備考 1. 上記法案は9月19日下院を通過したのを、 9月27日 上院才出委員会により別添2の理由により 修正 13頁 ^{13頁} ので、近く上院本会計に上程される予定。 2. 沖縄関係 別添1: 14頁以降 別添2: 15 〃 尚、沖縄関係は上院才出委員会を無修正で通過している。		
付属添付 <input checked="" type="checkbox"/>	付属空便(行) <input type="checkbox"/>	付属空便(D.P.) <input type="checkbox"/>
本 信 写 送 付 先 :		(別添省略)

要照
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43.10.7

5425-2

Calendar No. 1583

90TH CONGRESS } SENATE { REPORT
2d Session } No. 1595

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1969

SEPTEMBER 27 (legislative day, SEPTEMBER 24, 1968).—Ordered to be printed

Mr. PASTORE, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 19908]

The Committee on Appropriations, to which was referred the bill (H.R. 19908) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made.

Amount of bill as passed House.....	\$2,341,011,000
Amount of increase by Senate committee.....	317,250,000
Amount of bill as reported to the Senate.....	2,658,261,000
Amount of estimates, 1969.....	3,654,711,000
Amount of appropriations, 1968.....	2,981,213,000
The bill as reported to the Senate:	
Under the estimates for 1969.....	996,450,000
Under the appropriations for 1968.....	322,952,000

Summary of the bill

Title	Item	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (-) compared with:	House bill
					Budget estimate	
I	Foreign assistance	\$2,920,000,000	\$1,619,100,000	\$1,932,350,000	-\$987,650,000	+\$313,250,000
II	Foreign assistance (other)	734,711,000	721,911,000	725,911,000	-8,800,000	+4,000,000
III	Export-Import Bank of Washington (limitation)	(2,552,050,000)	(2,552,050,000)	(2,552,050,000)		
	Total	3,654,711,000	2,341,011,000	2,658,261,000	-996,450,000	+317,250,000

2

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GENERAL STATEMENT

For economic and military assistance, which is included in title I of the bill, the committee has allowed the sum of \$1,932,350,000 which is an increase of \$313,250,000 over the House allowance but \$987,650,000 under the budget estimate.

The committee has restored the reductions made by the House in technical assistance and development grants, development loans, and the Alliance for Progress. In the aggregate the amount restored for these three items accounts for \$285 million of the \$313,250,000 added by the committee to title I of the House bill. In addition the committee restored \$27,900,000 in international organizations and program and provided \$350,000 for the partners of the alliance.

TITLE I—FOREIGN ASSISTANCE
FUNDS APPROPRIATED TO THE PRESIDENT

ECONOMIC ASSISTANCE

TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

1968 new (obligational) authority	\$180,000,000
1969 budget estimate of new (obligational) authority	235,000,000
House allowance	150,000,000
Committee recommendation	200,000,000

For technical cooperation and development grants, the committee recommends an allowance of \$200,000,000, which is the same as the sum contained in the authorization act, \$50,000,000 over the House amount, but \$35,000,000 below the budget estimate.

The amount recommended by the committee, when added to recoveries from prior years and other funds will fund a program totaling \$220,772,000.

Technical assistance builds the human resources, technical skills, and development institutions essential to economic, social, and political development and it is accomplished largely by private American citizens and institutions—businessmen, engineers, universities, cooperatives and labor unions.

Different regions and countries require different types of outside assistance. Countries in the embryonic stage of development need help to train people, build basic institutions and prepare for capital investment. Those countries further along the road to development, on the other hand, need technical aid to complement capital assistance and to insure the effective use of resources.

Almost 25 percent of the funds appropriated under this head is programed for use in the nations of Africa, which are still in the early stages of development. The committee learned that in this area, our technical aid program is doing much to help meet the severe shortages of qualified senior administrative and technical personnel by supplementing the salaries of Americans who perform in operating jobs and on the staffs of African institutions.

Not all technical aid in Africa is directed to specific countries. The committee was advised that more than one-third of the fiscal year 1969 program was designated for regional activities and institutions, thus accelerating the move of technical aid programs which span national boundaries and promote African regional cooperation.

The committee learned, that in East Asia regionalism was the new dimension in development and increasing emphasis was being directed toward agriculture, family planning, and work related to education and health. In specific countries of this area the committee was advised that food production was approaching major breakthroughs resulting from the work on new seeds and agricultural techniques which were financed by privately endowed American foundations at Los Banos in the Philippines.

In the Near East and South Asia area, which includes the countries of Pakistan, India, and Turkey, the committee received testimony that more than 22,000 individuals have been trained both in the United States and abroad out of funds furnished under this appropriation and that results were beginning to come into view. In fact, in the three aforementioned countries, it was the opinion of witnesses that food grain self-sufficiency may be achieved by the early 1970's partially due to the part played by the technical assistance program.

SURVEYS OF INVESTMENT OPPORTUNITIES

1968 new (obligational) authority	\$1,250,000
1969 budget estimate of new (obligational) authority	3,000,000
House allowance	3,000,000
Committee recommendation	3,000,000

The committee concurs with the recommendation of the House by declining to make any new obligational authority available for this item in fiscal year 1969. The committee feels that carryover funds aggregating \$2,193,000 should provide adequate funding for this program in fiscal year 1969.

The Agency for International Development has been granted authority to pay up to 50 percent of approved costs of investigating specific investment opportunities in less developed countries, under section 231 of the Foreign Assistance Act of 1961, as amended. After a survey has been conducted, the prospective investor has the choice of either making an investment or refraining from doing so. If he makes the investment, the investor bears all of the expenses and retains full rights to the information collected. On the other hand, if the prospective investor does not make the investment, and provided he has complied with the terms of the participating agreement, he is then entitled to payment from AID for 50 percent of the cost of the survey. In the latter circumstances, the survey report becomes the property of the U.S. Government and may be made available to other potential investors through AID's Catalog of Investment Information and Opportunities.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

1968 new (obligational) authority	\$11,500,000
1969 budget estimate of new (obligational) authority	15,100,000
House allowance	14,600,000
Committee recommendation	14,600,000

SPECIAL FOREIGN CURRENCY PROGRAM

1968 new (obligational) authority	(\$5,986,000)
1969 budget estimate of new (obligational) authority	(3,100,000)
House allowance	(5,100,000)
Committee recommendation	(5,100,000)

The committee allows \$14,600,000 for American schools and hospitals abroad, which sum is the same as the House amount and \$500,000 under the budget estimate. In addition \$511,000 of unobligated balances were made available in the House bill. The committee concurs in this recommendation.

Section 214 of the Foreign Assistance Act authorizes the President to furnish assistance to schools, libraries, and hospital centers for medical education and research outside the United States when these institutions are founded or sponsored by U.S. citizens and meet various legislative and administrative criteria. Seven recipient institutions are proposed for dollar assistance in fiscal year 1969 versus six in fiscal year 1968. The estimated fiscal year 1968 program costs and the proposed fiscal year 1969 program costs are tabulated below:

	Fiscal year 1968	Fiscal year 1969
	Estimated	Proposed
	Amount	Amount
1. American University in Beirut	\$5,824,000	\$10,500,000
2. American Farm School, Thessaloniki, Greece	120,000	12,000
3. Robert College, Turkey	2,700,000	2,500,000
4. American University in Cairo	1,200,000	200,000
5. Escuela Agrícola Panamericana, Honduras	200,000	200,000
6. Admiral Bristol Hospital, Istanbul	1,500,000	1,800,000
7. Project HOPE	1,500,000	1,400,000
Total	11,644,000	15,100,000

As the table shows, virtually the entire dollar increase is attributable to the American University of Beirut for operational support and construction of a basic science building in the new medical center.

The committee was informed that assistance is provided to these various institutions in order to strengthen their capacity to contribute to the economic and social development of the countries and regions in which they are located. Each of these institutions has been accepted by the government of the country where they are located as an important contributor in efforts to meet essential educational needs. Their graduates become teachers, administrators, government officials, agriculturalists, businessmen, doctors and other specialists essential to the modern society. Many are leaders in the political life of their respective countries. Some of the institutions serve as education centers for the entire region in which the institution is located. This is particularly true of the American University of Beirut which attracts students from the entire Middle East and from Africa as well.

Foreign currency program. The budget estimate for fiscal year 1969 included \$2,100,000 for the Polish Children's Hospital, Krakow, Poland, and \$1 million for the American University in Cairo. In addition, the authorizing legislation has appended \$2 million for the University of North Africa at Tangier, Morocco, to the budget estimate for fiscal year 1969.

The committee concurs with the House and recommends that \$5,100,000 in foreign currencies, which are excess to the normal requirements of the United States, be authorized to be used for the aforementioned institutions.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

1968 new (obligational) authority	\$130,000,000
1969 budget estimate of new (obligational) authority	154,255,000
House allowance	120,000,000
Committee recommendation	147,900,000

The committee recommends the sum of \$147,900,000 for this item, which is \$27,900,000 more than the amount allowed by the House. The funds requested are for the following organizations and programs:

Program	Budget estimate
U.N. development program	\$80,000,000
U.N. children's fund	12,000,000
U.N. technical and operational assistance to the Congo	1,500,000
U.N./food and agriculture organization—world food program	1,500,000
U.N. population program	2,500,000
U.N. institute for training and research	500,000
U.N. programs for Southern Africans	150,000
Indus Basin Development Fund	17,000,000
Special contributions for Vietnam	2,000,000
International Atomic Energy Agency—Operational program	1,000,000
World Health Organization—Medical research	150,000
World Meteorological Organization—Voluntary assistance program	2,000,000
International secretariat for volunteer service	55,000
U.N. relief and works agency	13,300,000
U.N. Peacekeeping Operations:	
U.N. Emergency Force (Near East)	
U.N. Force in Cyprus	8,000,000

Total grants	142,255,000
Loans: Indus Basin Development Fund	12,000,000

Grand total, grants and loans

Total annual pledge, in addition agricultural commodities at market value of \$22,200,000 will be provided

The committee intends that funds appropriated for voluntary grant contributions to international organizations and programs should be available for all the organizations and programs for which such funds were proposed, except that no more than \$50,000 should be used for U.N. Programs for Southern Africans and \$13 million shall be available for the children's fund.

Concurring with the House, the committee has approved a special \$1,000,000 appropriation for the Children's Fund, as authorized by section 108(b) of the Foreign Assistance Act of 1961, as amended. This action thus makes available to the Children's Fund for the forthcoming year a total of \$13,000,000 which is \$1,000,000 more than the budget estimate.

The budget estimate for \$12 million for the Indus Basin development fund was disapproved entirely by the House. This \$12 million in loans represents the first call against the total \$51.2 million loan committed by the United States to the Indus Basin development fund in 1964. This is a multinational agreement to which eight donors are contributing. The committee went into this matter in some detail and, while reluctant to oppose the House position, was impressed with the fact that the project was being financed by eight countries. Accordingly, the committee has restored the \$12 million to the bill which is included in the sum of \$147,900,000 recommended for international organizations.

SUPPORTING ASSISTANCE

1968 new (obligational) authority	\$600,000,000
1969 budget estimate of new (obligational) authority	595,000,000
House allowance	365,000,000
Committee recommendation	365,000,000

The committee allowance of \$365,000,000 is \$230,000,000 under the budget estimate but the same as the sum appropriated by the House. The amount recommended by the committee, together with carryover recoveries and reimbursements aggregating approximately \$129,822,000, will fund a total supporting assistance program of \$494,822,000 in fiscal year 1969.

The budgeted program for supporting assistance amounted to \$629,500,000, comprised of \$480,000,000 for Vietnam and the balance for programs in six other countries plus regional and interregional activities as follows:

Korea	\$25,000,000
Laos	39,000,000
Thailand	50,000,000
Dominican Republic	20,000,000
Congo	8,000,000
Haiti	2,500,000
Regional programs in Africa	1,000,000
Program support and interregional activities	4,000,000

As indicated in the foregoing, the bulk of this appropriation is for economic assistance programs in Vietnam. It is designed to help build an independent and viable Vietnam by relieving the suffering of innocent victims of war, containing inflation, building a strong economy, and developing Vietnamese institutions and programs which offer the people of South Vietnam hope for a better life.

The committee was informed that much of the funds appropriated for this item is used to finance commercial imports which the recipient country is unable to finance itself. The private exporter, which is normally an individual or firm located in the United States, sells the commodities and is paid in dollars from this appropriation by the Agency for International Development. The local importer pays full value in local currency through his bank to his government. These funds are then available to the local government to finance defense or other programs which redound to the benefit of the recipient country and the United States.

The committee was pleased to be advised that considerable progress is being made in the gradual phase-out of supporting assistance provided on a grant basis. In fiscal year 1969, 26 countries, which formally received grants out of supporting assistance appropriations since fiscal year 1960, will not be on the list to receive this grant assistance. They are:

Afghanistan	Iceland	Tunisia
Greece	Spain	Guatemala
Iran	Yugoslavia	Honduras
Israel	Cameroon	Panama
Pakistan	Guinea	Jordan
Turkey	Libya	Trinidad and Tobago
Burma	Mali	Philippines
Indonesia	Rwanda	
Taiwan	Sudan	

Further evidence of the decline in grant assistance under this appropriation was supplied the committee during the course of its hearings on the bill. In this connection, the committee was informed that in fiscal year 1960 just over \$800 million of grant supporting assistance was furnished to 41 countries—but excluding \$156 million given to Vietnam. The proposed program for fiscal year 1969 includes \$115,800,000 of grant supporting assistance for four countries—Korea, Laos, Haiti, and Thailand—plus \$480 million for Vietnam. The \$9 million program for the Congo and for regional programs in Africa in fiscal year 1969 is being furnished on a loan basis as is \$20,700,000 program for Laos and Thailand.

CONTINGENCY FUND

1968 new (obligational) authority of fund for emergency assistance \$10,000,000
1969 budget estimate of new (obligational) authority 45,000,000
House allowance 5,000,000
Committee recommendation 5,000,000

The sum recommended by the committee is the same as the House allowance and \$40,000,000 under the budget estimate. Estimated carry-over recoveries and reimbursements totaling \$24,778,000 will bring the total funding for the contingency fund in fiscal year 1969 to \$29,778,000.

The contingency fund has been used to meet the urgent assistance needs which are either unforeseen or cannot be accurately defined in advance. For more than a decade this fund has proved to be indispensable in permitting the President to respond to emergency situations in order to protect interests of the United States and/or to promote its national policy. The contingency fund was used during the past year by the President to respond to numerous economic and political crises which arose in many less-developed countries. A breakdown of the uses of these funds by country and by amount is shown in the following tabulation:

Uses of contingency fund, fiscal year 1968, as of June 30, 1968

(In thousands of dollars)

Country	Amount	Uses
Indonesia	12,500	Rehabilitation of country's economy
Cyprus	6,813	United Nations forces
Contributions to international organizations	5,989	Tarbella Dam, West Pakistan (Indus Basin development)
Africa regional	200	Locust control
Disaster relief	2,052	
Total	27,554	

A detailed enumeration of the countries which received assistance for disaster relief in fiscal year 1968, in the amounts of \$100,000 or more, is shown below:

Washington allotments:	Amount
Argentina, floods	\$10,000
Bolivia, floods	60,000
Brazil, floods	4,000
Burma, cyclone	200,000
Ceylon, malaria epidemic	25,000
Chile, earthquake	70,000
Congo (Bukava), civil strife	10,000
Congo (Kinshasa), earthquake	2,000
Ethiopia, floods	11,000
Greece, earthquake	25,000
Guatemala, fire	155,000
India, earthquake	13,000
Indonesia, floods	125,000
Iraq, floods	45,000
Italy, earthquake	25,000
Italy, floods	36,000
Jordan, civil strife	1,000
Malagasy, cyclone	10,000
Malaysia, cholera epidemic	12,000
Mauritius, cyclone	195,000
Mexico, floods	200,000
Middle East, Mid-East crisis	11,000
Nepal, bubonic plague	79,000
Nicaragua, earthquake	200,000
Nigeria (IOBC), civil strife	65,000
Pakistan, cholera epidemic	70,000
Panama, disaster stockpile	25,000
Peru, earthquake	7,000
Tanzania, floods	1,000
Thailand, fire	150,000
Turkey, earthquake	11,000
Uruguay, floods	25,000
Venezuela, earthquake	25,000
Vietnam, aggression of Thailand	25,000
Vietnam, Tet aggression	20,000
W. Samoa, hurricane	25,000
Yugoslavia, earthquake	25,000
Total	2,052,000

ALLIANCE FOR PROGRESS

1968 new (obligational) authority \$80,000,000
1969 budget estimate of new (obligational) authority 110,000,000
House allowance 90,000,000
Committee recommendation 90,000,000

The committee recommends the sum of \$90,000,000 which is the amount authorized for this item, \$20,000,000 under the budget estimate and \$20 million over the amount recommended by the House.

The budget estimate presented to Congress last January contemplated funding for technical assistance programs in the countries and areas shown below:

Contribution to Inter-American Organization	\$19,100,000
Regional programs	10,690,000
Partners of the Alliance	1,500,000
Argentina	1,900,000
Bolivia	4,100,000
Brazil	14,600,000
Central American Economic Community:	
Regional Organization—Central American Program	4,000,000
Costa Rica	1,700,000
El Salvador	2,400,000
Guatemala	2,700,000
Honduras	2,300,000
Nicaragua	2,200,000
Chile	3,000,000
Colombia	5,100,000
Dominican Republic	3,400,000
Ecuador	2,900,000
Guyana	1,500,000
Haiti	
Mexico	180,000
Panama	3,200,000
Paraguay	2,300,000
Peru	5,500,000
Uruguay	2,100,000
Venezuela	1,100,000
Jamaica	1,000,000
East Caribbean regional programs	100,000
Program support, interregional activities, research, and sec-	
211 (d) of the Foreign Assistance Act of 1961, as amended	18,430,000
Total	118,000,000

Of the funds allocated to the country programs almost two-thirds will be used to finance technical experts and training programs in the field of agriculture, education, and health. The remaining one-third of the funds will provide experts and training in the fields of public safety, tax administration, and labor.

The programs proposed for Inter-American organizations include continuing support to the OAS special development assistance fund; the Pan American Health Organization's special malaria eradication fund; the Inter-American program in science and technology, which will aid basic science and natural resources technology through research grants to universities' scientific and technical publications; and the Inter-American program in education, which will concentrate on advanced training of specialized educators, educational television, and the upgrading of Latin American educational curriculums.

DEVELOPMENT LOANS

1968 new (obligational) authority	\$389,000,000
1969 budget estimate of new (obligational) authority	515,000,000
House allowance	200,000,000
Committee recommendation	330,000,000

For development loans under the Alliance for Progress, the committee recommends an appropriation of \$330 million, which is \$185 million less than the budget estimate but \$130 million more than the allowance of the House. In addition to the new obligational authority granted by the committee, carryover recoveries and loan receipts totaling \$56,493,-

000, will be available for this category of aid during fiscal year 1969. Thus, under the committee recommendation a total development loan program of \$386,493,000 will be funded for fiscal year 1969.

Testimony from Agency for International Development officials indicated that approximately two-thirds of the proposed loan program was concentrated in three countries of Latin America, namely, Brazil, Chile, and Colombia. Self-help requirements imposed by the Foreign Assistance Act of 1961, as amended, have been met extensively in these aforementioned countries and their efforts have ranged from new monetary, fiscal, and exchange policies to improved tax revenue performance, trade liberalization, improved educational facilities, and incentives to stimulate agricultural production.

The committee was informed that the new sector loans were working well and in fiscal year 1969 a total of \$131 million was proposed for this type of loan to focus our assistance more sharply on the difficult problems in the critical sectors of agriculture, education, and health. The objective of this type of loan is to promote and support reforms in government policies and rapid increases in the investment programs to provide higher levels of facilities and services in these sectors. For example, the committee learned that a sector loan for tractors, fertilizer, pesticides, and breeding stock is providing vital support for Chile's program for expanding production and agrarian reform.

Program loans, which for the past 3 years have been the primary instruments of our support to the major self-help programs undertaken by Brazil, Chile, and Colombia, totaled \$175 million in the program originally submitted to the Congress. These loans enable the recipient countries to import from the United States the goods and merchandise necessary for the growth and expansion of their economies. The committee learned that most of these imports have been taken by the private sector of the less developed nations' economy thus supplying it with the raw materials and capital goods so necessary for the expansion of production. Witnesses, who testified at the hearings of the committee, emphasized that program loans are released in tranches, after reviews of host-country performance in implementing their agreed self-help measures.

The budget estimate for project loans in fiscal year 1969 was \$261 million covering projects in 15 countries ranging from a major road system in Bolivia to a national agricultural research program in Brazil. The Director of the Agency for International Development, Mr. Gaud, stated that these loans will continue the emphasis of the past by supporting the creation and strengthening of intermediate credit institutions to provide financing on reasonable terms for agricultural, industrial, and housing projects. The committee was informed that at the end of fiscal year 1968 \$442 million was invested in such projects in Latin America.

A major loan contemplated to be funded out of new obligational authority made available under this appropriation is the \$25 million for the Central American Integration Fund. This Fund, administered by the Central American Bank for Economic Integration, is the major source of financing for regional infrastructure and multinational projects—roads, communications, and agricultural storage—which will contribute to binding the economies of Central America together.

PARTNERS OF THE ALLIANCE

1968 new (obligational) authority	\$330,000
1969 budget estimate of new (obligational) authority	0
House allowance	0
Committee recommendation	\$350,000

Included in the bill by the committee is an appropriation of \$350,000 to finance activities authorized by section 252(b) of Foreign Assistance Act of 1961, as amended.

DEVELOPMENT LOANS

1968 new (obligational) authority	\$435,000,000
1969 budget estimate of new (obligational) authority	765,000,000
House allowance	265,000,000
Committee recommendation	\$350,000,000

An appropriation of \$350 million is recommended by the committee for development loans. This is \$85 million over the House amount, \$415 million under the budget estimate, and the same as the sum recently authorized by the Congress. When receipts and reimbursements are added to the amount provided by the committee, a program aggregating approximately \$435,313,000 will be hereby funded in fiscal year 1969.

The committee has stricken from the bill the following language which was included by the House on page 4 under the development loan appropriation title:

Provided, That no part of this appropriation may be used to carry out the provision of section 205 of the Foreign Assistance Act of 1961, as amended.

The original program contemplated loans to the following countries in the amounts shown below:

East Asia:	
Indonesia	\$55,000,000
Korea	40,000,000
Philippines	5,000,000
Africa:	
Ghana	15,000,000
Tunisia	20,500,000
Ethiopia	4,500,000
Liberia	5,000,000
Morocco	8,000,000
Regional-Africa and East-Africa	35,500,000
East Africa	4,500,000
Near East and South Asia:	
India	408,000,000
Jordan	15,000,000
Pakistan	177,000,000
Turkey	60,000,000
Total	\$53,000,000

As in past years and as can be seen in the enumeration above, our Nation's development lending program was concentrated in the few countries which have already demonstrated their capacity to make the best use of this type of assistance. Almost 87 percent of development lending in fiscal year 1969 was programed for five countries, namely India, Pakistan, Indonesia, Korea, and Turkey. The committee was informed that when this program of the Agency for International

Development is added to the aid contributed by other donors the critical margin of help needed to make development efforts effective is realized.

On the one hand the funds provide the fertilizer and other agricultural inputs to increase crop production and raw materials, spare parts and machinery, to increase output of industrial goods in the developing nations, while on the other hand, they enable the United States to increase its exports, according to testimony given to the committee. In this connection, the committee learned that our commodity exports financed out of development loan funds in fiscal year 1967 consisted of machinery and equipment, chemicals and related products, motor vehicles and parts, iron and steel mill products, fertilizers and other items with an aggregate value of \$1,350 million.

AGENCY FOR INTERNATIONAL DEVELOPMENT

ADMINISTRATIVE EXPENSES

1968 new (obligational) authority	\$55,300,000
1969 budget estimate of new (obligational) authority	\$58,775,000
House allowance	\$1,000,000
Committee recommendation	\$1,000,000

For administrative expenses of the Agency for International Development, the committee recommends new obligational authority of \$51 million. The amount is the same as the sum granted by the House and \$7,775,000 under the budget estimate.

Since the committee has authorized the reappropriation of fiscal year 1968 unobligated balances totaling approximately \$3,508,000, an aggregate of \$54,508,000 is thus available to finance administrative expenses for the current fiscal year.

DEPARTMENT OF STATE

ADMINISTRATIVE EXPENSES

1968 new (obligational) authority	\$3,255,000
1969 budget estimate of new (obligational) authority	\$3,870,000
House allowance	\$3,500,000
Committee recommendation	\$3,500,000

The committee recommends the sum of \$3,500,000 for the administrative expenses of the State Department, which is the same as the sum allowed by the House.

Under the provisions of section 637(b) of the Foreign Assistance Act of 1961, as amended, the Department of State has been given responsibility for certain activities involving the foreign assistance program which are included below: The U.S. Missions to NATO, and the Organization for Economic Cooperation and Development (OECD);

The Mutual Defense Control Act (Battle Act); and

The coordination of military assistance activities with political and economic considerations, as required by section 622 of the Foreign Assistance Act.

The funds appropriated for this item will enable the Department of State to carry on the aforementioned activities during fiscal year 1969.

MILITARY ASSISTANCE

1968 new (obligational) authority	\$400,000,000
1969 budget estimate of new (obligational) authority	420,000,000
House allowance	375,000,000
Committee recommendation	375,000,000

The committee recommends an appropriation of \$375 million for military assistance which is the same as the sum recently authorized by the Congress and allowed by the House, \$45 million under the budget estimate.

For almost two decades our military assistance program has assisted in the creation of a common defense capability. It has funded equipment and training required by the armed forces of allied and friendly nations for the maintenance of both external and internal security. Furthermore it has responded flexibly and forcefully to the pressures that have been brought to bear against our allies in various parts of the world.

As recipients of military assistance reached either economic recovery or maturity, it has been possible for us to make reductions in our aid. In addition, the fading enemy threat in certain areas has made it possible to make even further cutbacks in the amount of our military assistance. Evidence of this may be gleaned from a review of the statistics which show that in fiscal year 1952, the military assistance program accounted for 79 percent of total aid, and by fiscal year 1958, the sum required had declined to 17 percent.

A considerable portion of the funds appropriated for military assistance is programed for South Korea. The fact that increased aid was necessary for South Korea was recognized by the Congress when it recently provided in the second supplemental appropriation bill for fiscal year 1968, a total of \$100 million for additional military assistance for this harassed young nation.

The Foreign Assistance Act of 1961, as amended in 1967, lowered from \$85 million to \$75 million the ceiling on all military grants and sales to the countries of Latin America, except for training. Also, during this same year an amendment to the same act provided for a ceiling of \$40 million on all programs for Africa, including sales, grants, services, and training. The budget programs for fiscal year 1969 for these two areas of the world aggregate \$50 million evenly divided between African and Latin American countries.

GENERAL PROVISIONS

RESEARCH

The committee concurs with the House in continuing at a figure of \$8 million the section 113 ceiling on funds used in carrying out section 241 of the Foreign Assistance Act for development research. In addition, funds for research on family planning under title X of the Foreign Assistance Act are contained in the committee bill.

TITLE II—FOREIGN ASSISTANCE (OTHER)
FUNDS APPROPRIATED TO THE PRESIDENT

PEACE CORPS

1968 new (obligational) authority	\$107,500,000
1969 budget estimate of new (obligational) authority	112,800,000
House allowance	100,000,000
Committee recommendation	104,000,000

LIMITATION ON ADMINISTRATIVE EXPENSES

1968 new (obligational) authority	(\$28,400,000)
1969 budget estimate of new (obligational) authority	(\$30,300,000)
House allowance	(\$29,500,000)
Committee recommendation	(\$29,500,000)

An appropriation of \$104 million is recommended to operate the Peace Corps in fiscal year 1969. The limitation on administrative expenses will be \$29,500,000, the same as the sum allowed by the House. According to testimony from Director Jack Vaughn, it is anticipated that this allowance will permit the Corps to operate at a level in the current fiscal year just slightly below 1968.

The committee was informed that new country plans call for the doubling of the number of volunteers in health projects from some 1,500 volunteers during the fiscal year 1968 to 3,000 by fiscal year 1970. The major effort here will be directed toward the prevention or eradication of specific diseases such as malaria and tuberculosis. It is expected that disease prevention will play an increasingly important role in the health programs of the Peace Corps as the volunteers are trained in the precise skills necessary to mount an effective attack against these crippling and killing diseases.

From the testimony presented at the committee's hearings, it was learned that community development continues to be a central focus of the Peace Corps programs, particularly in the Latin American countries where these programs account for more than 40 percent of the total programs. As was reported to the committee last year, in response to host country priorities the Peace Corps is placing greater emphasis on rural community action than on urban programs. During fiscal year 1968, rural programs accounted for 77 percent of all community development programs compared to 67 percent in fiscal year 1967.

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

RYUKYU ISLANDS, ARMY

ADMINISTRATION

1968 new (obligational) authority	\$14,956,000
1969 budget estimate of new (obligational) authority	20,772,000
House allowance	20,772,000
Committee recommendation	20,772,000

The committee allowance for this item is \$20,772,000, the amount of the budget estimate and the amount allowed by the House. In addition, the Committee concurs with the House and has rescinded the unobligated balance, estimated to be \$7,500,000, of an appropriation made in fiscal 1960, for the construction of an electric power

generating plant in Okinawa, which is no longer needed. A summary of the projects to be funded in fiscal year 1969 is listed below:

Administrative activities:	
Pay of personnel	\$2,886,000
Travel of civilian employees	129,000
Information materials and services	125,000
Operating expenses	132,000
Total	3,272,000
Aid to Ryukyuan economy:	
Reimbursement for Government services	1,500,000
Contribution to Government projects	13,575,000
Transportation of commodities	5,000
Technical education and training	1,325,000
Technical cooperation	1,095,000
Total	17,500,000
Grand total	20,772,000

A detailed breakdown of aid to the Ryukyuan economy amounting to \$17,500,000 for fiscal year 1969 is tabulated below:

Activity	Fiscal year 1969 estimate
Grand total	\$17,500,000
Reimbursement for Government services	1,500,000
1. Public safety services	1,000,000
2. Public health and sanitation services	500,000
Contribution to Government projects	13,575,000
1. Educational programs	9,340,000
(a) Assistance for Ryukyuan teachers' salaries payment	6,000,000
(b) Public school construction	1,975,000
(c) Vocational education equipment	490,000
(d) Equipment for public school	700,000
(e) University of the Ryukus	80,000
(f) English language training	145,000
2. Social welfare programs	1,310,000
(a) Government retirement program	535,000
(b) Medical insurance program	535,000
(c) National pension program	240,000
3. Public health and medical programs	985,000
(a) Disease control	525,000
(b) Hospitals	300,000
(c) Leprosaria	125,000
(d) Insect and rodent control facility	35,000
4. Public safety facilities	120,000
(a) Traffic control signal lights	55,000
(b) Police patrol boat	65,000
5. Public works and economic development	1,820,000
(a) Roads and bridges	900,000
(b) Municipal housing	320,000
(c) Ryukyuan products center	100,000
(d) Ryukyu Land and Housing Corporation	500,000
Transportation of commodities	5,000
Technical education and training	1,325,000
Technical cooperation	1,095,000

The sum appropriated in fiscal year 1968 for grant aid to the Ryukyuan economy was \$12 million, the full amount authorized by the Congress. On November 4, 1967, the President approved Public Law 90-126, which authorized an annual appropriation of \$17,500,000 and,

as pointed out above, the committee has recommended the appropriation of the full amount of the authorization. As indicated in the tabulation above, of the \$5,500,000 increase of grant assistance to the Ryukyuan economy, \$5 million—or more than 95 percent—is allocated to assistance for Ryukyuan teachers' salaries payment.

Also included in the sum of \$17,500,000 is the amount of \$5,000, which is appropriated to provide for the payment of ocean transportation charges of welfare supplies donated to the Ryukyuan people by voluntary aid organizations in the United States. Each year some worthwhile but necessarily unprogramed donations are proffered by charitable groups and organizations in the United States. These gifts, consisting primarily of clothing, hospital and medical supplies and equipment, books, and a myriad of other miscellaneous relief items are used in worthy welfare projects and help tremendously in alleviating the plight of the poor on the islands.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

ASSISTANCE TO REFUGEES IN THE UNITED STATES

1968 new (obligational) authority	\$49,000,000
1969 budget estimate of new (obligational) authority	69,774,000
House allowance	69,774,000
Committee recommendation	69,774,000

For assistance to refugees in the United States, an appropriation of \$69,774,000 is recommended, which is the same as the budget estimate for new obligational authority and the House allowance.

A summary of the budget request submitted to Congress is shown below:

Programs:	
Program administration	\$2,063,000
Welfare assistance and services:	
Financial assistance to needy refugees in the Miami area	13,200,000
Transitional resettlement allowance	1,204,000
Assistance to needy resettled refugees	11,521,000
Unaccompanied children	545,000
Distribution of surplus commodities	97,000
Hospitalization	3,660,000
State administration	1,700,000
Total, welfare and assistance and services	31,927,000
Resettlement	5,650,000
Education:	
Assistance to Dade County public schools	12,291,000
Vocational training	1,296,000
Assistance to college students	4,140,000
Professional training	500,000
Total, education	18,227,000
Health services:	
Refugee health clinic	1,257,000
Outpatient services	580,000
Maternal and child health and school health program	670,000
Hospitalization for long-term illness	500,000
Total, health services	2,407,000
Total obligations	\$60,274,000

The language of the House bill transfers \$844,000 from this account to the Department of State which deprives this program of that amount. The committee concurs with the House transfer language, but wishes to make it clear that it is not the intent of the committee to cut back the program level for the assistance of refugees in the United States. On the contrary, the committee would expect the department to request a supplemental appropriation if the requirements for assistance actually materialize at the levels budgeted.

DEPARTMENT OF STATE	
MIGRATION AND REFUGEE ASSISTANCE	
1968 new (obligational) authority	\$5,500,000
1969 budget estimate of new (obligational) authority	5,485,000
House allowance	5,485,000
Committee recommendation	5,485,000

For this item, the committee recommends an appropriation of \$5,485,000. The program presented to the Congress requested financing for the activities listed below:

Program by activities:	
Intergovernmental Committee for European Migration	\$2,500,000
United Nations High Commissioner for Refugees	600,000
Refugees from European Communist countries	650,000
Refugees from Communist China	200,000
Cuban refugees	844,000
Administration	641,000
Contribution to the International Committee of the Red Cross	50,000
Total	5,485,000

Since the committee has concurred with the House's transfer of \$844,000 from the Cuban refugee program, the total amount available for the migration and refugee assistance program in fiscal year 1969 will aggregate \$6,329,000. The additional funds are required primarily to handle an increased caseload of Czechoslovakian nationals to the countries of Western Europe.

FUNDS APPROPRIATED TO THE PRESIDENT

ASIAN DEVELOPMENT BANK	
1969 budget estimate of new (obligational) authority	\$20,000,000
House allowance	20,000,000
Committee recommendation	20,000,000

For the Asian Development Bank the committee recommends an appropriation of \$20 million, which is the amount of the budget estimate and the sum allowed by the House.

The Asian Development Bank is a regional development financing institution established for the purpose of financing economic development projects and programs in and among the developing countries of Asia. The agreement establishing the Bank came into force on August 22, 1966, upon ratification by the United States and 14 other countries. The U.S. instrument of ratification was deposited at the United Nations on August 16, 1966.

The Board of Governors of the Bank held its inaugural meeting in Tokyo November 24-26, 1966. At that meeting, the governors elected

Mr. Takeshi Watanabe of Japan as the Bank's first president; increased the Bank's authorized capital from \$1 to \$1.1 billion; and elected the Bank's first Board of Directors. On December 19, 1966, the Board of Directors held its first formal meeting at the Bank's headquarters in Manila and declared the Bank open for business.

The Bank has a membership of 32 countries, 19 of which are regional countries and 13 of which, including the United States, are developed nonregional countries. A listing of these countries and the amount of capital to which each has subscribed is shown below:

Regional countries:		Amount of subscription
Afghanistan		\$4,780,000
Australia		85,000,000
Cambodia		3,500,000
Ceylon		18,520,000
China, Republic of		16,000,000
India		93,000,000
Indonesia		23,000,000
Japan		200,000,000
Korea, Republic of		30,000,000
Laos		20,000,000
Malaysia		2,100,000
Nepal		22,560,000
New Zealand		32,000,000
Pakistan		35,000,000
Philippines		12,000,000
Republic of Vietnam		5,000,000
Singapore		20,000,000
Thailand		60,000,000
Western Samoa		60,000,000
Total		615,000,000
Nonregional countries:		Amount of subscription
Austria		5,000,000
Belgium		5,000,000
Canada		25,000,000
Denmark		5,000,000
Finland		5,000,000
Germany, Federal Republic of		34,000,000
Italy		20,000,000
Netherlands		11,000,000
Norway		5,000,000
Sweden		5,000,000
Switzerland		5,000,000
United Kingdom		30,000,000
United States		200,000,000
Total		355,000,000
Grand total		970,000,000

The Asian Development Bank Act, Public Law 89-369, approved March 16, 1966, authorized U.S. membership in the Bank and the appropriation of the U.S. subscription of \$200 million. Of this amount, \$100 million is to be paid in five annual installments of \$20 million each (\$10 million in cash and \$10 million in non-interest-bearing letter of credit), and \$100 million is callable.

The first two installments of the paid-in portion totaling \$40 million and the entire callable portion of the subscription amounting to \$100 million were appropriated by Public Law 89-426, approved May 13, 1966.

The sum recommended by the committee is for the third installment on paid-in capital of \$20 million, which is due in August 1968.

1968 new (obligational) authority	\$300,000,000
1969 budget estimate of new (obligational) authority	505,880,000
House allowance	505,880,000
Committee recommendation	505,880,000

The committee concurs with the House and recommends new obligational authority of \$300 million for the fund for special operations of the Inter-American Development Bank and \$205,880,000 for the first installment on a total authorization of \$411,760,000 supplementary contribution to callable capital.

The Inter-American Development Bank (IDB) is an intergovernmental institution, corporate in form, whose capital stock is owned by its member governments. The Bank promotes economic development in member countries through loans, technical assistance, and guarantees of private investment in development projects. Twenty-one Western Hemisphere republics, including the United States, are members of the Bank. The original 20 members have all completed required payments on their original authorized subscriptions and quotas. Trinidad and Tobago, which became a member in calendar 1967, will make payments on its subscription to the ordinary capital in three annual installments and on its contribution to the fund for special operations in five annual installments.

In addition to its ordinary capital operations, the Bank lends from its fund for special operations in circumstances where ordinary capital financing is not appropriate. The initial resources of this fund totaled \$146.3 million, one-half payable in dollars and one-half in member currencies. The resources of the fund were increased to \$219.5 million in 1964 and again to \$1,119.5 million in 1965. With the admission of Trinidad and Tobago to Bank membership in 1967, total resources of the FSO increased to \$1,121.4 million, prior to the \$1.2 billion increase which became effective in December 1967 as discussed below. Public Law 86-147, approved August 7, 1959, authorized payment of the initial U.S. quota of \$100 million; Public Law 88-259, approved January 22, 1964, authorized payment of \$50 million for the first increase in the U.S. quota. U.S. payments totaling \$750 million for the second increase in the U.S. quota were made in three successive \$250 million installments pursuant to authority contained in Public Law 89-6 of March 24, 1965.

In April 1967, the Board of Governors of the Bank recommended an increase in fund resources of \$400 million per year to support operations during the 3-year period from approximately early 1968 through early 1971. This increase became effective on December 29, 1967. The U.S. share of this increase, \$900 million, was authorized by the Congress in Public Law 90-88, approved September 22, 1967, to be made available in three equal annual installments. The first installment was appropriated in the Foreign Assistance and Related Agencies Appropriation Act of 1968, Public Law 90-249, and the amount of new obligations of the fund for special operations for the first installment was \$300 million.

gational authority recommended hereunder is to cover the second installment.

Public Law 90-325, approved June 4, 1968, authorized a U.S. subscription to the Bank's callable capital in the amount of \$411,760,000. Payment of this subscription is to be made in two installments with the first one being due on or before October 31, 1968, and the second and final one to be paid in calendar 1970. The amount appropriated hereunder brings the total U.S. subscription to the Bank's ordinary capital stock to \$967,640,000. The amount to be appropriated in calendar 1970, namely \$205,880,000 for callable capital, will bring the U.S. subscription to \$1,173,520,000 of the total callable ordinary capital of the Bank aggregating \$3,150 million.

TITLE III—EXPORT-IMPORT BANK

LIMITATION ON PROGRAM ACTIVITY

1968 new (obligational) authority	(\$2,672,000,000)
1969 budget estimate of new (obligational) authority	2,552,050,000
House allowance	2,552,050,000
Committee recommendation	2,552,050,000

The committee has approved the budget estimate for program activity amounting to \$2,552,050,000, which is the same as the sum allowed by the House. According to testimony from the President of the Bank, this allowance will fund, in fiscal year 1969, the various loan programs shown below:

Equipment and services loans	\$2,065,000,000
Exporter loans	None
Commodity loans	75,000,000
Discount loans (net)	100,000,000
Emergency loans	100,000,000
Total	2,340,000,000

The committee was gratified to learn that not only does the Bank continue to operate at a profit and make regular dividend payments to the U.S. Treasury totaling \$50 million annually, but it is also making a mammoth contribution toward alleviating our deficit in our balance of payments. This contribution continues to increase each year as repayments on past loans mount. In fiscal year 1967, the favorable effect on our balance of payments was \$783,525,000; in fiscal year 1968, this increased to \$1,021,672,000; and in fiscal year 1969, it is estimated to rise to \$1,172,091,000.

LIMITATION ON ADMINISTRATIVE EXPENSES

1968 new (obligational) authority	(\$4,932,000)
1969 budget estimate of new (obligational) authority	4,932,000
House allowance	4,932,000
Committee recommendation	4,932,000

The committee concurs with the House figure for this activity.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL)
AUTHORITY FOR 1968 AND THE BUDGET ESTIMATES FOR 1969
PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—
FEDERAL FUNDS**

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item	New budget (obligational) authority, 1968	Budget esti- mate of new (obligational) authority, 1969	Increase (+) or decrease (-)
(1)	(2)	(3)	(4)
Export-Import Bank: Program activity (indefinite au- thorization to spend debt receipts)	\$865,100,000	\$698,000,000	-\$257,100,000

**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—
TRUST FUNDS**

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item	New budget (obligational) authority, 1968	Budget esti- mate of new (obligational) authority, 1969	Increase (+) or decrease (-)
(1)	(2)	(3)	(4)
Economic assistance: Miscellaneous trust funds	\$2,803,000	\$2,800,000	-\$3,000
Military assistance: Advances, foreign military sales (con- tract authorization)	1,350,000,000	1,320,000,000	-30,000,000
Peace Corps: Miscellaneous trust funds	721,000	701,000	+20,000
Total, permanent new budget (obligational) author- ity, trust funds	1,353,524,000	1,323,501,000	-30,023,000

**COMPARATIVE STATEMENT OF NEW OBLIGATIONAL AUTHORITY FOR 1968 AND THE BUDGET ESTIMATES FOR
1969 AND AMOUNTS RECOMMENDED IN BILL
TITLE I—FOREIGN ASSISTANCE**

Item	New budget (obligational) authority, 1968	Budget esti- mates of new (obligational) authority, 1969	Recommended in the House bill for 1969	Recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority, 1968	Budget esti- mate of new (obligational) authority, 1969	House bill
FUNDS APPROPRIATED TO THE PRESIDENT							
ECONOMIC ASSISTANCE							
Technical cooperation and development grants.....	\$180,000,000	\$235,000,000	\$150,000,000	\$200,000,000	+\$20,000,000	-\$35,000,000	+\$50,000,000
Surveys of investment opportunities.....	1,250,000	3,000,000			-1,250,000	-3,000,000	
American schools and hospitals abroad.....	11,500,000	15,100,000	14,600,000	14,600,000	+3,100,000	-500,000	
Special foreign currency program.....	(6,999,000)	(5,100,000)	(6,100,000)	(6,100,000)	(-899,000)	(-14,000,000)	
International organizations and programs.....	130,000,000	142,255,000	110,000,000	124,000,000	+4,900,000	-7,355,000	+15,900,000
U.N. Children's Fund.....			1,000,000	1,000,000	+1,000,000	+1,000,000	
Loan program.....		12,000,000		12,000,000	+12,000,000		+12,000,000
Supporting assistance.....	600,000,000	595,000,000	585,000,000	585,000,000	-235,000,000	-230,000,000	
Contingency fund.....	8,875,000	45,000,000	5,000,000	5,000,000	-3,875,000	-40,000,000	
Alliance for Progress:							
Technical cooperation and development grants.....	80,000,000	110,000,000	70,000,000	90,000,000	+10,000,000	-20,000,000	+30,000,000
Partners of the Alliance.....	330,000			330,000	+330,000	+330,000	
Development loans.....	380,000,000	515,000,000	200,000,000	330,000,000	-50,000,000	-185,000,000	+130,000,000
Development loans.....	435,000,000	765,000,000	295,000,000	350,000,000	-85,000,000	-415,000,000	+35,000,000

COMPARATIVE STATEMENT OF NEW OBLIGATIONAL AUTHORITY FOR 1968 AND THE BUDGET ESTIMATES FOR 1969 AND AMOUNTS RECOMMENDED IN BILL—Continued

TITLE I—FOREIGN ASSISTANCE—Continued

Item	New budget (obligational) authority, 1968	Budget estimates of new authority, 1969	Recommended in the House bill for 1969	Recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—	
					New budget estimates of new authority, 1968	House bill authority, 1969
Administrative expenses, AID.....	\$86,365,000	\$88,775,000	\$85,000,000	\$51,000,000	—\$5,365,000	—\$7,775,000
Administrative expenses, State.....	3,315,000	3,870,000	3,500,000	3,500,000	+185,000	—370,000
Subtotal, economic assistance.....	11,885,685,000	22,500,000,000	1,344,100,000	1,557,500,000	—338,285,000	—942,650,000
MILITARY ASSISTANCE						
Military assistance.....	\$500,000,000	\$420,000,000	375,000,000	375,000,000	—125,000,000	—45,000,000
Limitation on administrative expenses.....	(21,400,000)	(21,000,000)	(21,000,000)	(21,000,000)	(—400,000)	
Total, title I, foreign assistance.....	12,385,685,000	22,920,000,000	1,619,100,000	1,932,500,000	—463,285,000	—987,650,000

TITLE II—FOREIGN ASSISTANCE (OTHER)

FUNDS APPROPRIATED TO THE PRESIDENT						
Peace Corps.....	\$107,500,000	\$112,800,000	\$106,000,000	\$104,000,000	—\$8,800,000	—\$4,000,000
Limitation on administrative expenses.....	(28,400,000)	(29,800,000)	(29,800,000)	(29,800,000)	(+1,100,000)	(—800,000)
DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS						
Administration.....	15,078,000	20,772,000	20,772,000	20,772,000	+5,694,000	

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Assistance to refugees in the United States.....	\$53,500,000	\$60,774,000	69,774,000	69,774,000	+16,274,000	
DEPARTMENT OF STATE						
Migration and refugee assistance.....	5,500,000	5,485,000	5,485,000	5,485,000	—15,000	
FUNDS APPROPRIATED TO THE PRESIDENT						
Asian Development Bank.....		20,000,000	20,000,000	20,000,000	+20,000,000	
Inter-American Development Bank.....	300,000,000	7,505,880,000	505,880,000	505,880,000	+505,880,000	
International Development Association.....	104,000,000				—104,000,000	
Total, title II, foreign assistance (other).....	885,578,000	734,711,000	721,911,000	725,911,000	+140,333,000	—8,800,000

TITLE III—EXPORT-IMPORT BANK

Limitation on program activity.....	(22,272,000)	(22,552,000)	(22,552,000)	(22,552,000)	(—280,000)	
Limitation on administrative expenses.....	(4,150,000)	(4,982,000)	(4,982,000)	(4,982,000)	(+732,000)	
Total, title III, Export-Import Bank.....	(26,422,000)	(27,534,000)	(27,534,000)	(27,534,000)	(+112,000)	
Grand total, all titles of the bill.....	2,681,213,000	3,634,711,000	2,941,011,000	2,658,261,000	—322,922,000	—\$317,250,000

* Includes \$1,935,000 derived from contingency fund appropriation for FY Act costs.
* Includes \$80,000,000 derived from contingency fund appropriation for FY Act costs.
* Includes \$9,400,000 contained in H. Doc. 355.
* Includes \$200,880,000 contained in H. Doc. 355.
* Reflects revised lending program as contained in H. Doc. 355.
* Budget did not propose a limitation.
* Includes \$200,880,000 contained in H. Doc. 355.
* Includes \$200,880,000 contained in H. Doc. 355.
* Reflects revised lending program as contained in H. Doc. 355.

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Calendar No. 1583

90TH CONGRESS
2D SESSION

H. R. 19908

[Report No. 1595]

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 20, 1968

Read twice and referred to the Committee on Appropriations

SEPTEMBER 27 (legislative day, SEPTEMBER 24), 1968

Reported by Mr. PASTORE, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1969, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for Foreign
- 5 Assistance and related agencies for the fiscal year ending
- 6 June 30, 1969, and for other purposes, namely:

II

1 TITLE I—FOREIGN ASSISTANCE

2 FUNDS APPROPRIATED TO THE PRESIDENT

3 For expenses necessary to enable the President to carry
4 out the provisions of the Foreign Assistance Act of 1961,
5 as amended, to remain available until June 30, 1969, unless
6 otherwise specified herein, as follows:

7 ECONOMIC ASSISTANCE

8 Technical cooperation and development grants: For
9 expenses authorized by section 212, ~~\$150,000,000~~ \$200,-
10 000,000: *Provided*, That no part of this appropriation shall
11 be used to initiate any project or activity which has not been
12 justified to the Congress.

13 American schools and hospitals abroad: For expenses
14 authorized by section 214 (c), \$14,600,000.

15 American schools and hospitals abroad (special foreign
16 currency program): For assistance authorized by section
17 214 (d), \$5,100,000 in foreign currencies which the Treas-
18 ury Department determines to be excess to the normal re-
19 quirements of the United States.

20 International organizations and programs: For expenses
21 authorized by section 302 (a), ~~\$119,000,000~~ \$134,900,000:
22 *Provided*, That the President shall seek to assure that no
23 contribution to the United Nations Development Program
24 authorized by the Foreign Assistance Act of 1961, as
25 amended, shall be used for projects for economic or technical

1 assistance to the Government of Cuba, so long as Cuba is
2 governed by the Castro regime: *Provided further*, That no
3 part of this appropriation shall be used to initiate any proj-
4 ect, activity, or program which has not been justified to the
5 Congress.

6 International organizations and programs: For expenses
7 authorized by section 302 (d), \$1,000,000.

8 *International organizations and programs, loans: For*
9 *expenses authorized by section 302(b), \$12,000,000, to re-*
10 *main available until expended.*

11 Supporting assistance: For expenses authorized by sec-
12 tion 402, \$365,000,000.

13 Contingency fund: For expenses authorized by section
14 451 (a), \$5,000,000.

15 Alliance for Progress, technical cooperation and develop-
16 ment grants: For expenses authorized by section 252 (a),
17 ~~\$70,000,000~~ \$90,000,000: *Provided*, That no part of this
18 appropriation shall be used to initiate any project or activity
19 which has not been justified to the Congress.

20 Alliance for Progress, development loans: For expenses
21 authorized by section 252 (a), ~~\$200,000,000~~ \$330,000,000,
22 together with such dollar amounts as are authorized to be
23 made available for assistance under section 253, all such
24 amounts to remain available until expended.

1 *Alliance for Progress, Partners of the Alliance. For*
2 *expenses authorized by section 252(b), \$350,000.*

3 Development loans: For expenses authorized by section
4 202 (a), ~~\$265,000,000~~ \$350,000,000, together with such
5 amounts as are authorized to be made available for expenses
6 under section 203, all such amounts to remain available until
7 expended: *Provided, That no part of this appropriation may*
8 *be used to carry out the provisions of section 205 of the*
9 *Foreign Assistance Act of 1961, as amended.*

10 Administrative expenses: For expenses authorized by
11 section 637 (a), \$51,000,000.

12 Administrative and other expenses: For expenses au-
13 thorized by section 637 (b) of the Foreign Assistance Act of
14 1961, as amended, and by section 305 of the Mutual Defense
15 Assistance Control Act of 1951, as amended, \$3,500,000.

16 Unobligated balances as of June 30, 1968, of funds
17 heretofore made available under the authority of the Foreign
18 Assistance Act of 1961, as amended, except as otherwise
19 provided by law, are hereby continued available for the fiscal
20 year 1969, for the same general purposes for which appro-
21 priated and amounts certified pursuant to section 1311 of the
22 Supplemental Appropriation Act, 1955, as having been ob-
23 ligated against appropriations heretofore made under the
24 authority of the Foreign Assistance Act of 1961, as amended,
25 for the same general purpose as any of the subparagraphs

1 under "Economic Assistance", are hereby continued available
2 for the same period as the respective appropriations in such
3 subparagraphs for the same general purpose: *Provided, That*
4 *such purpose relates to a project or program previously jus-*
5 *tified to Congress and the Committees on Appropriations of*
6 *the House of Representatives and the Senate are notified*
7 *prior to the reobligation of funds for such projects or*
8 *programs.*

9 MILITARY ASSISTANCE

10 Military assistance: For expenses authorized by section
11 504 (a) of the Foreign Assistance Act of 1961, as amended,
12 including administrative expenses authorized by section
13 636 (g) (1) of such Act, which shall not exceed \$21,000,000
14 for the current fiscal year, and purchase of passenger motor
15 vehicles for replacement only for use outside the United
16 States, \$375,000,000: *Provided, That none of the funds*
17 *contained in this paragraph shall be available for the*
18 *purchase of new automotive vehicles outside of the United*
19 *States: Provided further, That none of the funds appropri-*
20 *ated in this paragraph shall be used to furnish sophisticated*
21 *weapons systems, such as missile systems and jet aircraft*
22 *for military purposes, to any underdeveloped country, unless*
23 *the President determines that the furnishing of such weapons*
24 *systems is important to the national security of the United*
25 *States and reports within thirty days each such determination*

1 to the Congress: *Provided further*, That the military assist-
 2 ance program for any country shall not be increased beyond
 3 the amount justified to the Congress, unless the President
 4 determines that an increase in such program is essential to
 5 the national interest of the United States and reports each
 6 such determination to the House of Representatives and the
 7 Senate within thirty days after each such determination.

8 GENERAL PROVISIONS

9 SEC. 101. None of the funds herein appropriated (other
 10 than funds appropriated under the authorization for "Interna-
 11 tional organizations and programs") shall be used to finance
 12 the construction of any new flood control, reclamation, or
 13 other water or related land resource project or program
 14 which has not met the standards and criteria used in de-
 15 termining the feasibility of flood control, reclamation, and
 16 other water and related land resource programs and projects
 17 proposed for construction within the United States of Amer-
 18 ica as per memorandum of the President dated May 15,
 19 1962.

20 SEC. 102. Obligations made from funds herein appro-
 21 priated for engineering and architectural fees and services
 22 to any individual or group of engineering and architectural
 23 firms on any one project in excess of \$25,000 shall be re-
 24 ported to the Senate and House of Representatives at least
 25 twice annually.

1 SEC. 103. Except for the appropriations entitled "Con-
 2 tingency Fund", "Alliance for Progress, development loans",
 3 and "Development loans", not more than 20 per centum of
 4 any appropriation item made available by this title shall be
 5 obligated and/or reserved during the last month of availa-
 6 bility.

7 SEC. 104. None of the funds herein appropriated nor
 8 any of the counterpart funds generated as a result of assist-
 9 ance hereunder or any prior Act shall be used to pay pen-
 10 sions, annuities, retirement pay, or adjusted service com-
 11 pensation for any persons heretofore or hereafter serving
 12 in the armed forces of any recipient country.

13 SEC. 105. The Congress hereby reiterates its opposition
 14 to the seating in the United Nations of the Communist China
 15 regime as the representative of China, and it is hereby de-
 16 clared to be the continuing sense of Congress that the Com-
 17 munist regime in China has not demonstrated its willingness
 18 to fulfill the obligations contained in the Charter of the
 19 United Nations and should not be recognized to represent
 20 China in the United Nations. In the event of the seating of
 21 representatives of the Chinese Communist regime in the
 22 Security Council or General Assembly of the United Nations,
 23 the President is requested to inform the Congress, insofar as
 24 is compatible with the requirements of national security, of

1 the implications of this action upon the foreign policy of the
 2 United States and our foreign relationships, including that
 3 created by membership in the United Nations, together with
 4 any recommendations which he may have with respect to the
 5 matter.

6 SEC. 106. It is the sense of Congress that any attempt
 7 by foreign nations to create distinctions because of their race
 8 or religion among American citizens in the granting of per-
 9 sonal or commercial access or any other rights otherwise
 10 available to United States citizens generally is repugnant to
 11 our principles; and in all negotiations between the United
 12 States and any foreign state arising as a result of funds appro-
 13 priated under this title these principles shall be applied as
 14 the President may determine.

15 SEC. 107. (a) No assistance shall be furnished under
 16 the Foreign Assistance Act of 1961, as amended, to any
 17 country which sells, furnishes, or permits any ships under
 18 its registry to carry to Cuba, so long as it is governed by the
 19 Castro regime, in addition to those items contained on the
 20 list maintained by the Administrator pursuant to title I of
 21 the Mutual Defense Assistance Control Act of 1951, as
 22 amended, any arms, ammunition, implements of war, atomic
 23 energy materials, or any other articles, materials, or sup-
 24 plies of primary strategic significance used in the produc-
 25 tion of arms, ammunition, and implements of war or of

1 strategic significance to the conduct of war, including petro-
 2 leum products.

3 (b) No economic assistance shall be furnished under
 4 the Foreign Assistance Act of 1961, as amended, to any
 5 country which sells, furnishes, or permits any ships under
 6 its registry to carry items of economic assistance to Cuba,
 7 so long as it is governed by the Castro regime, or to North
 8 Vietnam.

9 SEC. 108. Any expenditure made from funds provided
 10 in this title for procurement outside the United States of
 11 any commodity in bulk and in excess of \$100,000 shall be
 12 reported to the Senate and the House of Representatives at
 13 least twice annually: *Provided*, That each such report shall
 14 state the reasons for which the President determined, pur-
 15 suant to criteria set forth in section 604 (a) of the Foreign
 16 Assistance Act of 1961, as amended, that foreign procure-
 17 ment will not result in adverse effects upon the economy of
 18 the United States or the industrial mobilization base which
 19 outweigh the economic or other advantages to the United
 20 States of less costly procurement outside the United States.

21 SEC. 109. (a) No assistance shall be furnished to any
 22 nation, whose government is based upon that theory of gov-
 23 ernment known as communism, under the Foreign Assistance
 24 Act of 1961, as amended, for any arms, ammunition, imple-

1 ments of war, atomic energy materials, or any articles, mate-
 2 rials, or supplies, such as petroleum, transportation materials
 3 of strategic value, and items of primary strategic significance
 4 used in the production of arms, ammunition, and implements
 5 of war, contained on the list maintained by the Administra-
 6 tor pursuant to title I of the Mutual Defense Assistance Con-
 7 trol Act of 1951, as amended.

8 (b) No economic assistance shall be furnished to any
 9 nation, whose government is based upon that theory of gov-
 10 ernment known as communism, under the Foreign Assistance
 11 Act of 1961, as amended (except section 214 (b)), unless
 12 the President determines that the withholding of such assist-
 13 ance would be contrary to the national interest and reports
 14 such determination to the House of Representatives and the
 15 Senate. Reports made pursuant to this subsection shall be
 16 published in the Federal Register within seven days of sub-
 17 mission to the Congress and shall contain a statement by
 18 the President of the reasons for such determination.

19 SEC. 110. None of the funds appropriated or made
 20 available pursuant to this Act for carrying out the Foreign
 21 Assistance Act of 1961, as amended, may be used for making
 22 payments on any contract for procurement to which the
 23 United States is a party entered into after the date of enact-
 24 ment of this Act which does not contain a provision authoriz-
 25 ing the termination of such contract for the convenience of
 26 the United States.

1 SEC. 111. None of the funds appropriated or made avail-
 2 able by this or any predecessor Act for the years subsequent
 3 to fiscal year 1962 for carrying out the Foreign Assistance
 4 Act of 1961, as amended, may be used to make payments
 5 with respect to any contract for the performance of services
 6 outside the United States by United States citizens unless the
 7 President shall have promulgated regulations that provide
 8 for the investigation of such citizens for loyalty and security
 9 to the extent necessary to protect the security and other
 10 interests of the United States: *Provided*, That such regula-
 11 tions shall require that any such United States citizen who
 12 will have access, in connection with the performance of such
 13 services, to information or material classified for security
 14 reasons shall be subject to such investigation as may other-
 15 wise be provided by law and executive order.

16 SEC. 112. None of the funds appropriated or made avail-
 17 able under this Act for carrying out the Foreign Assistance
 18 Act of 1961, as amended, may be used to make payments
 19 with respect to any capital project financed by loans or grants
 20 from the United States where the United States has not di-
 21 rectly approved the terms of the contracts and the firms to
 22 provide engineering, procurement, and construction services
 23 on such projects.

24 SEC. 113. Of the funds appropriated or made available
 25 pursuant to this Act not more than \$8,000,000 may be
 26 used during the fiscal year ending June 30, 1969, in carry-

1 ing out section 241 of the Foreign Assistance Act of 1961, as
2 amended.

3 SEC. 114. None of the funds appropriated or made avail-
4 able pursuant to this Act for carrying out the Foreign As-
5 sistance Act of 1961, as amended, may be used to pay in
6 whole or in part any assessments, arrearages, or dues of
7 any member of the United Nations.

8 SEC. 115. None of the funds made available by this Act
9 for carrying out the Foreign Assistance Act of 1961, as
10 amended, may be obligated for financing, in whole or in
11 part, the direct costs of any contract for the construction of
12 facilities and installations in any underdeveloped country,
13 unless the President shall have promulgated regulations
14 designed to assure, to the maximum extent consistent with
15 the national interest and the avoidance of excessive costs to
16 the United States, that none of the funds made available by
17 this Act and thereafter obligated shall be used to finance
18 the direct costs under such contracts for construction work
19 performed by persons other than qualified nationals of the
20 recipient country or qualified citizens of the United States:
21 *Provided, however,* That the President may waive the appli-
22 cation of this amendment if it is important to the national
23 interest.

24 SEC. 116. No assistance shall be furnished under the
25 Foreign Assistance Act of 1961, as amended, to any country
26 that sells, furnishes, or permits any ships under its registry

1 to carry to North Vietnam any of the items mentioned in
2 subsection 107 (a) of this Act.

3 SEC. 117. None of the funds appropriated or made
4 available in this Act for carrying out the Foreign Assistance
5 Act of 1961, as amended, shall be available for assistance
6 to the United Arab Republic, unless the President determines
7 that such availability is essential to the national interest of
8 the United States.

9 SEC. 118. None of the funds appropriated or made avail-
10 able pursuant to this Act for carrying out the Foreign Assist-
11 ance Act of 1961, as amended, may be used to finance the
12 procurement of iron and steel products for use in Vietnam
13 containing any component acquired by the producer of the
14 commodity, in the form in which imported into the country
15 of production, from sources other than the United States
16 or a country designated as a limited free world country by
17 code number 901 in the September 1964 Geographic Code
18 Book compiled by the Agency for International Develop-
19 ment, and at a total cost (delivered to the point of produc-
20 tion) that amounts to more than 10 per centum of the lowest
21 price (excluding the cost of ocean transportation and marine
22 insurance) at which the supplier makes the commodity
23 available for export sale (whether or not financed by the
24 Agency for International Development).

25 SEC. 119. The President is directed to withhold economic

1 assistance in an amount equivalent to the amount spent by
 2 any underdeveloped country for the purchase of sophisticated
 3 weapons systems, such as missile systems and jet aircraft for
 4 military purposes from any country, unless the President de-
 5 termines that such purchase or acquisition of weapons sys-
 6 tems is important to the national security of the United States
 7 and reports within thirty days each such determination to
 8 the Congress.

9 TITLE II—FOREIGN ASSISTANCE (OTHER)

10 FUNDS APPROPRIATED TO THE PRESIDENT

11 PEACE CORPS

12 For expenses necessary to enable the President to carry
 13 out the provisions of the Peace Corps Act (75 Stat. 612),
 14 as amended, including purchase of not to exceed five passen-
 15 ger motor vehicles for use outside the United States, \$100,-
 16 000,000 \$104,000,000, of which not to exceed \$29,500,000
 17 shall be available for administrative expenses.

18 DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

19 RYUKYU ISLANDS, ARMY

20 ADMINISTRATION

21 For expenses, not otherwise provided for, necessary to
 22 meet the responsibilities and obligations of the United States
 23 in connection with the government of the Ryukyu Islands,
 24 as authorized by the Act of July 12, 1960 (74 Stat. 461),
 25 as amended (81 Stat. 363); services as authorized by 5

1 U.S.C. 3109, of individuals not to exceed ten in number;
 2 not to exceed \$4,000 for contingencies for the High Commis-
 3 sioner, to be expended in his discretion; hire of passenger
 4 motor vehicles and aircraft; purchase of four passenger
 5 motor vehicles for replacement only; and construction,
 6 repair, and maintenance of buildings, utilities, facilities,
 7 and appurtenances, \$20,772,000, of which not to exceed
 8 \$3,272,000 shall be available for administrative and in-
 9 formation expenses: *Provided*, That expenditures from this
 10 appropriation may be made outside continental United States
 11 when necessary to carry out its purposes, without regard to
 12 sections 355 and 3648, Revised Statutes; as amended, sec-
 13 tion 4774 (d) of title 10, United States Code, civil service or
 14 classification laws, or provisions of law prohibiting payment
 15 of any person not a citizen of the United States: *Provided*
 16 further, That funds appropriated hereunder may be used,
 17 insofar as practicable, and under such rules and regulations
 18 as may be prescribed by the Secretary of the Army to pay
 19 ocean transportation charges from United States ports, in-
 20 cluding territorial ports, to ports in the Ryukyus for the
 21 movement of supplies donated to, or purchased by, United
 22 States voluntary nonprofit relief agencies registered with
 23 and recommended by the Advisory Committee on Voluntary
 24 Foreign Aid or of relief packages consigned to individuals
 25 residing in such areas: *Provided further*, That the President

1 may transfer to any other department or agency any function
 2 or functions provided for under this appropriation, and there
 3 shall be transferred to any such department or agency, with-
 4 out reimbursement and without regard to the appropriation
 5 from which procured, such property as the Director of the
 6 Bureau of the Budget shall determine to relate primarily to
 7 any function or functions so transferred: *Provided further,*
 8 That reimbursement shall be made to the applicable military
 9 appropriation for the pay and allowances of any military per-
 10 sonnel performing services primarily for the purposes of this
 11 appropriation.

12 CONSTRUCTION OF POWER SYSTEMS, RYUKYU ISLANDS

13 The unobligated balance of the appropriation granted
 14 under this head in the Mutual Security Appropriation Act,
 15 1960, is hereby rescinded.

16 DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

17 ASSISTANCE TO REFUGEES IN THE UNITED STATES

18 For expenses necessary to carry out the provisions of
 19 the Migration and Refugee Assistance Act of 1962 (Public
 20 Law 87-510), relating to aid to refugees within the United
 21 States, including hire of passenger motor vehicles, and serv-
 22 ices as authorized by section 3109 of title 5, United States
 23 Code, \$69,774,000: *Provided,* That funds from this appro-
 24 priation shall be transferred to the Secretary of State to cover
 25 the costs incurred by the Department of State in connection

1 with the movement of refugees from Cuba to the United
 2 States: *Provided further,* That \$1,800,000 of this appro-
 3 priation shall be transferred to the current appropriation for
 4 "Contingency fund", Agency for International Develop-
 5 ment.

6 DEPARTMENT OF STATE

7 MIGRATION AND REFUGEE ASSISTANCE

8 For expenses, not otherwise provided for, necessary to
 9 enable the Secretary of State to provide, as authorized by
 10 law, a contribution to the International Committee of the
 11 Red Cross and assistance to refugees, including contributions
 12 to the Intergovernmental Committee for European Migra-
 13 tion and the United Nations High Commissioner for Refu-
 14 gees; salaries and expenses of personnel and dependents as
 15 authorized by the Foreign Service Act of 1946, as amended
 16 (22 U.S.C. 801-1158); allowances as authorized by 5
 17 U.S.C. 5921-5925; hire of passenger motor vehicles; and
 18 services as authorized by 5 U.S.C. 3109; \$5,485,000, of
 19 which not to exceed \$4,794,000 shall remain available until
 20 December 31, 1969: *Provided,* That no funds herein appro-
 21 priated shall be used to assist directly in the migration to any
 22 nation in the Western Hemisphere of any person not having
 23 a security clearance based on reasonable standards to insure
 24 against Communist infiltration in the Western Hemisphere.

1 FUNDS APPROPRIATED TO THE PRESIDENT

2 ASIAN DEVELOPMENT BANK

3 For payment of the third installment subscription on
4 paid-in capital stock to the Asian Development Bank, \$20-
5 000,000, to remain available until expended.

6 INVESTMENT IN INTER-AMERICAN DEVELOPMENT BANK

7 For subscription to the Inter-American Development
8 Bank, to remain available until expended, \$505,880,000, of
9 which \$300,000,000 is for the second installment of the
10 United States share in the 1968-1970 increase in the re-
11 sources of the Fund for Special Operations of the Bank, and
12 \$205,880,000 is for the first of two installments of the United
13 States share in the authorized increase in the callable ordi-
14 nary capital stock of the Bank.

15 TITLE III—EXPORT-IMPORT BANK OF THE

16 UNITED STATES

17 The Export-Import Bank of the United States is hereby
18 authorized to make such expenditures within the limits of
19 funds and borrowing authority available to such corporation,
20 and in accord with law, and to make such contracts and com-
21 mitments without regard to fiscal year limitations as provided
22 by section 104 of the Government Corporation Control Act,
23 as amended, as may be necessary in carrying out the pro-
24 gram set forth in the budget for the current fiscal year for
25 such corporation, except as hereinafter provided.

1 LIMITATION ON PROGRAM ACTIVITY

2 Not to exceed \$2,552,050,000 (of which not to exceed
3 \$2,065,000,000 shall be for equipment and services loans)
4 shall be authorized during the current fiscal year for other
5 than administrative expenses.

6 LIMITATION ON ADMINISTRATIVE EXPENSES

7 Not to exceed \$4,932,000 (to be computed on an
8 accrual basis) shall be available during the current fiscal
9 year for administrative expenses, including services as author-
10 ized by 5 U.S.C. 3109, and not to exceed ~~\$9,000~~ \$12,000
11 for entertainment allowances for members of the Board
12 of Directors: *Provided*, That (1) fees or dues to inter-
13 national organizations of credit institutions engaged in financ-
14 ing foreign trade, (2) necessary expenses (including spe-
15 cial services performed on a contract or fee basis, but not
16 including other personal services) in connection with the
17 acquisition, operation, maintenance, improvement, or dis-
18 position of any real or personal property belonging to the
19 Bank or in which it has an interest, including expenses of
20 collections of pledged collateral, or the investigation or ap-
21 praisal of any property in respect to which an application
22 for a loan has been made, and (3) expenses (other than in-
23 ternal expenses of the Bank) incurred in connection with
24 the issuance and servicing of guarantees, insurance, and re-

1 insurance, shall be considered as nonadministrative expenses
2 for the purposes hereof.

3 TITLE IV—GENERAL PROVISIONS

4 SEC. 401. No part of any appropriation contained in
5 this Act shall be used for publicity or propaganda purposes
6 within the United States not heretofore authorized by the
7 Congress.

8 SEC. 402. None of the funds herein appropriated shall
9 be used for expenses of the Inspector General, Foreign As-
10 sistance, after the expiration of the thirty-five day period
11 which begins on the date the General Accounting Office or
12 any committee of the Congress, or any duly authorized sub-
13 committee thereof, charged with considering foreign assist-
14 ance legislation, appropriations, or expenditures, has de-
15 livered to the Office of the Inspector General, Foreign As-
16 sistance, a written request that it be furnished any document,
17 paper, communication, audit, review, finding, recommenda-
18 tion, report, or other material in the custody or control of the
19 Inspector General, Foreign Assistance, relating to any re-
20 view, inspection, or audit arranged for, directed, or conducted
21 by him, unless and until there has been furnished to the Gen-
22 eral Accounting Office or to such committee or subcommittee,
23 as the case may be, (A) the document, paper, communica-
24 tion, audit, review, finding, recommendation, report, or other
25 material so requested or (B) a certification by the President,

1 personally, that he has forbidden the furnishing thereof pur-
2 suant to such request and his reason for so doing.

3 SEC. 403. No part of any appropriation contained in this
4 Act shall remain available for obligation beyond the current
5 fiscal year unless expressly so provided herein.

6 This Act may be cited as the "Foreign Assistance and
7 Related Agencies Appropriation Act, 1969."

Passed the House of Representatives September 19,
1968.

Attest:

W. PAT JENNINGS,
Clerk.

Calendar No. 1583

90TH CONGRESS
2d Session

H. R. 19908

[Report No. 1595]

AN ACT

Making appropriations for Foreign Assistance
and related agencies for the fiscal year ending
June 30, 1969, and for other purposes.

SEPTEMBER 20, 1968

Read twice and referred to the Committee on
Appropriations

SEPTEMBER 27 (legislative day, SEPTEMBER 24), 1968
Reported with amendments