

commitment with a country before the actual projects themselves are firmed up. At the present time before a loan agreement is signed, these projects are firmed up. I have every confidence they will continue to be. But if the Loan Fund is to be an instrument of national policy, we ought to leave a loophole for the President.

This is in accordance with the thinking of the House which has built in a 10 percent transferability clause into this act. That is a safety valve that we need.

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

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

Mr. BENTLEY. Does the gentleman think we should make loans of any type anywhere for projects that are not even in the planning stage yet?

Mr. COFFIN. There are times when the President would have to be in a position to make an agreement with a country depending on subsequent plans that may come after the agreement. For example, and I am thinking of India, the President should be in position to say, "Yes, we will make available X million dollars before and dependent upon the receipt of actual plans."

Mr. BENTLEY. Without any plans being made available?

Mr. COFFIN. Before the money is expended, plans would have to be made available and to conform to prevailing standards, of course. We do not want to tie the President's hands completely. We are requiring this decision to be made at the highest level, but we think that kind of a safety valve is necessary.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

The question was taken; and on a division (demanded by Mr. BENTLEY) there were—ayes 43, noes 81.

So the amendment was rejected.

Mr. HARDY. Mr. Chairman, I have two amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. HARDY: On page 18, line 2, strike out the period and insert a colon and the following:

"Provided, That all documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the Office of Inspector General and Comptroller shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Office, upon request of the General Accounting Office or such committee or subcommittee as the may may be."

On page 18, immediately below line 2, insert the following:

"(1) Amend section 534, which relates to reports to the Congress, by inserting '(a)' immediately after 'Reports.—' and by adding at the end thereof the following:

"(b) All documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which

relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Administration upon request of the General Accounting Office or such committee or subcommittee as the case may be."

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

Mr. HARDY. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, first I want to pay tribute to the gentleman from Virginia and his Subcommittee on Government Operations which has worked in very close cooperation with the Committee on Foreign Affairs. We worked very closely with him today in adjusting and improving these amendments, and I can say, after consultation with the minority side, that we have no objection to the incorporation of the amendments.

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

Mr. HARDY. Mr. Chairman, I am deeply indebted to the gentleman from Pennsylvania, and I want to thank him and his whole committee for their consideration of the several suggestions which I have made on behalf of our subcommittee. There has been a fine relationship between our two committees and I feel confident this has been mutually helpful in the discharge of our respective duties.

Mr. Chairman, when I spoke on the floor during general debate I called attention to the degree to which Congress has lost control of the mutual security program. I said:

We have responsibilities for exercising judgment just as the Executive does. We ought to form our judgments independently, but we cannot do this unless we require the agencies to give us full and complete factual information. It is our duty to inquire into every aspect of foreign aid. It is our duty to require that not some, but all of the relevant facts about its operation be made known to us. It is our duty to discover its weaknesses and to insist that they be corrected.

If we can assure for the Congress full and complete information which will enable us to continue to pinpoint weaknesses in the administration perhaps we may be able yet to see the foreign aid program administered with a creditable type of performance.

The obtaining of full information has been difficult both for congressional committees and for the General Accounting Office, the Congress' administrative watchdog.

On May 5 of this year, Mr. Leonard J. Saccio, who was then Acting Director of the International Cooperation Administration, testified before the Senate Subcommittee on Constitutional Rights. Involved was a question as to the right of the General Accounting Office to see certain ICA documents. During his testimony, he said, in part:

I am not falling back, now, on legal distinctions or principles here. I am saying, in effect, that if ICA wanted to apply the executive privilege, GAO would not see one thing, because practically every document in our agency has an opinion or a piece of advice.

What this amounts to is a clear assertion by the International Cooperation Administration that its officials can refuse to reveal to the General Accounting Office anything that they feel like refusing. If they can deny this information to the GAO, they can also deny it to the Congress.

This is an intolerable situation. It is unthinkable that the Congress can secure the information it needs to perform its constitutional responsibilities only at the sufferance of administrative personnel.

We have a right, as we have a duty, to examine any and all executive branch information which we may consider necessary in the evaluation of the foreign aid program.

I am offering two amendments which make this right clear. They are almost identical in wording. One requires that the International Cooperation Administration must provide the Congress and the GAO upon request with any and all information needed to evaluate the performance of that agency.

The other requires the newly created Office of the Inspector General and Comptroller, which will function under the Department of State, to provide similar information. It should be noted that if this Office does not supply the information requested, the funds set aside for its operation are not to be available.

These amendments will vastly improve the bill. The lack of a definite statutory mandate for providing Congress with information has hampered us all, and correction of this situation is long overdue. I am gratified that the committee recognizes the merit of my amendments and has accepted them. It is my hope that they may be adopted without dissenting vote.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Virginia [Mr. HARDY].

The amendments were agreed to. (Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FASCELL. Mr. Chairman, the Hardy amendment providing for access by the Congress and its agent, the General Accounting Office, to ICA information overthrows the sweeping claims by executive officials that they, and they alone, will determine what the Congress shall know about the operations of the Federal Government.

Shortly after the ICA's Office of Evaluations began its operations in fiscal year 1957, a policy of excessive secrecy was developed. The agency told the General Accounting Office that its reports were privileged documents, and a privileged nature for the agency's information was claimed before committees of both the House and the Senate.

The unreasonableness of the agency's attitude is exemplified by a former Director of the ICA, who told the Congress—see House Report No. 2578, 85th Congress, 2d session, page 127:

In the case of reports which have been classified "For official use only" I am reserving the right to determine in individual cases whether and on what grounds reports so classified will be made available to congressional committees.

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On June 18, 1957, the ICA Director made formal the policy of secrecy with a directive to his staff to deny the GAO access to the agency's evaluation reports. The first report refused under the policy was a study dated April 1, 1957, covering the operations of the assistance program for Formosa. The ICA's adamant refusal to cooperate with the GAO became the official policy in spite of a law directing all agencies of the Federal Government to give to the GAO all papers, documents, and other material necessary for the agency to carry out its statutory duties. That law, which is section 313 of the Budget and Accounting Act of 1921, states:

SEC. 313. All departments and establishments shall furnish to the Comptroller General such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective officers as he may from time to time require of them; and the Comptroller General, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department or establishment. The authority contained in this section shall not be applicable to expenditures made under the provisions of section 291 of the Revised Statutes.

The GAO was established to help the Congress to carry out its duty of overseeing the efficiency and economy of Government. The reason for establishing the GAO, under the Comptroller General, was set forth in clear and unambiguous language during the debate by the chairman of the select committee which had held hearings on the GAO enabling legislation. He explained—CONGRESSIONAL RECORD, October 17, 1919, page 7085:

At present Congress has no power or control over appropriations after they are once made. This control passes to the executive departments, and these departments practically audit their own expenditures, and the legality of expenditures by an executive department is passed upon by an official appointed, and who can be removed at any time, by the Executive. After appropriations are once made by Congress, the control over expenditure of the money appropriated passes from Congress. * * * The position is a semijudicial one and the tenure of office is made secure so long as the official performs his work in a fearless and satisfactory way. * * * Congress and its committees will at all times be able to consult with officials of this department (GAO) regarding expenditures and from it will be able to obtain the most reliable information regarding the use to which any appropriation has been put or the efficiency of any department of the Government. * * * If duplication, inefficiency, waste, and extravagance exist as the result of any expenditure, the President will be held responsible therefor if he continues to ask for appropriations to continue such practices. The knowledge on the part of every executive and bureau chief that such an independent and fearless department exists, and that every act and deed they perform will come under the closest scrutiny of this department, will in itself force a much higher degree of efficiency in every department of the Government.

The GAO cannot carry out its legally assigned duties under the restrictive policy now followed by the ICA. The

Comptroller General and his GAO auditors repeatedly informed the ICA of their need for—and legal right to—the papers and documents ICA was refusing. But in April 1958, the ICA again denied a formal request to make information available to the GAO. This time the agency refused to divulge its report on aid to Laos. Then the ICA put the stamp of secrecy on its report of aid to Pakistan and subsequently the GAO was refused access to ICA evaluation reports on aid to India, Bolivia, Brazil, and Guatemala. Access to these ICA reports is necessary, the GAO has informed Congress, "so that our findings and reports will be as complete, accurate, and objective as possible and will thus be of maximum usefulness to the Congress and interested officials and agencies concerned"—hearings of the Subcommittee on Independent Offices of the House Appropriations Committee, April 15, 1959, page 1053.

The Hardy amendment assures that the committees of Congress and the GAO, which serves as the auditing arm of the Congress, will now receive from the ICA the information that is vital if it is to carry out its duties. The amendment clearly states that all the information which ICA has, or which the proposed Office of Inspector General and Comptroller may gather, will be available to the GAO and congressional committees. The amendment spells out the fact that nothing can be withheld—not evaluation reports, not communications, not recommendations—nothing can be withheld.

I believe the amendment will end, for all time, the danger to our democratic system of government created by ICA's claim of immunity from congressional inquiry. The amendment spells out the clear intent that the Congress, not the ICA administrators, will decide what information Congress needs to appropriate the dollars and establish Government policies.

(Mr. MOSS asked and was given permission to extend his remarks at this point in the RECORD.)

(Mr. MOSS.) Mr. Chairman, while the Hardy amendment to make available information to the GAO applies, in the legislation we are discussing today, to only one agency, the effect of the amendment will, I believe, be governmentwide.

Time and again the departments, bureaus, and agencies of the executive branch have raised the claim of Executive privilege to refuse information to the Congress and to the auditor of Congress, the GAO. Probably the most blatant, groundless claims have come from officials of the ICA who are spending the billions of dollars Congress appropriates. The shield of Executive privilege has also been held up against congressional access to information about the Nation's missile program. It has been used to hide facts about the operation of the Military Sea Transportation Service and even to cover up scandals. The Hardy amendment is a warning to all Government agencies that the Congress will not abdicate its constitutional duty to appropriate funds

to run the Government and to make sure that those funds are expended efficiently and economically.

The very first article of the Constitution states that "all legislative powers herein granted shall be vested in a Congress of the United States." But how can the Congress, today, exercise its legislative powers if the claim of Executive privilege is allowed to stand and agencies are permitted to cover up the facts necessary to legislate?

The distinguished Senator from Wyoming, Mr. O'MAHONEY, made the point concisely just the other day. He said:

When any branch of the Government is dealing with subjects having to do with the appropriation of money, the expenditure of money, or the action by executive authority in the field which constitutionally is covered by legislative authority, there is no such thing as executive privilege.

The Hardy amendment is a firm congressional stand against the unconstitutional claim of executive privilege. It spells out the GAO's right of access to information which the agency must have to do its statutory job of auditing the expenditure of money appropriated by Congress.

The amendment under consideration today will require the ICA to make available to congressional committees and the GAO all of the documents, papers, communications, audits, reviews, findings, recommendations, and reports under its control or which may be developed by the proposed Inspector General and Comptroller. The information which the ICA has been secreting from the Congress and its auditors—the evaluation reports on aid to Formosa, Pakistan, Laos, and many other countries—cannot be hidden with the Hardy amendment in effect.

The ICA established its system of evaluation reports after the Congress, in the Budget and Accounting Procedures Act of 1950, directed all executive agencies to set up systems of accounting and internal control. In section 117(a) of that same law the GAO was directed to audit each agency's internal controls and related administrative practices. But the GAO cannot do the job it was given by law if an executive agency can refuse to disclose how it is spending the money Congress appropriates.

The Hardy amendment will assure the GAO of the information necessary to do its statutory job within the ICA and it will stand as a warning to all other executive agencies that the Congress does not intend to turn its legislative duties over to appointed officials.

(Mr. MEADER asked and was given permission to extend his remarks at this point in the RECORD.)

(Mr. MEADER addressed the Committee. His remarks will appear hereafter in the Appendix.)

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MONAGAN. Mr. Chairman, I support the amendments offered by the gentleman from Virginia [Mr. HARDY].

These amendments would require the furnishing of appropriate documents and

information to an investigating committee of the Congress.

I have had the honor to serve on the Foreign Operations Subcommittee of the House Government Operations Committee under the chairmanship of the gentleman from Virginia. Any one who has read the recently-filed report of this subcommittee will appreciate the outstanding contribution which was thereby made to our understanding of the mutual security program and, particularly, of the substantial defects in its operation.

By a temperate and factual approach, the subcommittee has materially aided the House Foreign Affairs Committee in its consideration of the mutual security program and has aided all the Members of the House in their study of the proposed mutual-security extension.

Unfortunately, the work of the Hardy subcommittee has too often been hampered by a refusal of the executive branch to provide documentary information essential to its investigation and necessary to discover the facts in the study of details of administration of the economic aid program.

I have no doubt that inefficiency, stupidity, and perhaps crime have been concealed by this refusal.

The proposed amendments may not eliminate such refusals in the future but they will make them much more difficult and they will materially aid the investigatory work of this important subcommittee.

If the House wishes the vital work of the Hardy Committee to continue effectively, then all Members will support these proposed amendments.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 8, strike all of lines 8 through 16 and insert the following:

"The Congress of the United States, recognizing the serious financial situation which confronts this Government in the form of a \$286 billion Federal debt and a current deficit of \$13 billion, declares it to be the policy of the United States that member nations of the United Nations pay their pledges and fair share of the United Nations Emergency Force; and that unless the financial support of other member nations of the United Nations is forthcoming as pledged that the United States will have no recourse but to withdraw its support."

Mr. HAYS. Mr. Chairman, I make a point of order against the amendment that it comes too late. We had already read through the section before the bill was open to amendment.

The CHAIRMAN (Mr. MILLS). No; as the gentleman will recall, the Clerk had concluded the reading of this section as the last section that was read when amendments were offered and immediately following the consideration of those amendments, unanimous consent was obtained that further reading of the bill would be dispensed with. So this section was open at that time.

The point of order is overruled.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I would point out to the Members of the House that we are now contributing to the

United Nations almost \$98 million a year. Some people seem to think that we are making only comparatively small contributions to that polyglot organization up in New York. I refer Members to the hearings by the House Subcommittee on Appropriations for the Department of State. I would like to suggest to the Members of the House that they would do very well to read those hearings particularly with respect to the United Nations and its subsidiary organizations. Contrary to the hearings of the Committee on Foreign Affairs, the Appropriations Subcommittee hearings are not riddled with nonsensical security deletions. You can get something out of them.

Moreover, you will be able to read page after page of lists of countries that have refused to pay their contributions to the various United Nations and other international organizations, and to the tune of millions upon millions of dollars.

All my amendment seeks to do is to tell these countries that are pledged to contribute to the support of the United Nations Emergency Force that they must make good the money and that we are getting tired of paying the bills. It is time we quit this business of carrying the load for all of these international organizations.

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

Mr. GROSS. I yield.

Mr. MORGAN. I just wanted a clarification of the amendment.

Do I understand that the gentleman strikes the language from line 7 down to line 16?

Mr. GROSS. That is right, and substitutes a new declaration of policy, one that has some meaning, rather than the meaningless words the gentleman's committee put in this bill.

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

Mr. Chairman, this House last year by a very large vote approved funds for the United Nations Emergency Force. The United Nations Emergency Force is now in operation over on the Gaza strip and is a very useful organization. The United Nations has a budget of \$19 million for this organization, and our assessed contribution is only \$4,900,000. Special assistance funds are to be used to make a voluntary contribution to the budget to the additional amount of \$3.5 million.

But not one single incident has broken out over in the Gaza strip in the conflict between the Arabian countries and Israel. This force is doing a terrific job. Most of the budget has been paid by other nations. Many small nations with limited budgets are making contributions to this organization. It is a good organization and I think it should stay in effect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The amendment was rejected.

Mr. ROGERS of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Florida: On page 13, line 2, strike out the

quotation mark and immediately below line 2 insert the following:

"(c) The President shall include in his recommendations to the Congress for the fiscal year 1961 programs under this Act a detailed plan for each country receiving bilateral grant assistance in the categories of defense support or special assistance, whereby such grant assistance shall be progressively reduced."

(Mr. ROGERS of Florida asked and was given permission to revise and extend his remarks.)

Mr. ROGERS of Florida. Mr. Chairman, first of all, I want to express my appreciation for the consideration the very able chairman of the Foreign Affairs Committee has shown me in connection with the amendment which I am presenting for the consideration of the House.

This amendment is designed to bring about a detailed plan for progressive reduction of the categories of economic aid designated as Defense Support and Special Assistance. The amendment directs that the President shall include in his recommendations to the Congress for the 1961 fiscal year a detailed plan country by country for those receiving bilateral grant assistance whereby such grant assistance shall be progressively reduced.

If the House adopts this amendment it will be the first concrete step toward phasing out the controversial grant features of the foreign aid program. If the House adopts this amendment it will indicate that it is the feeling of this body that it is time for a critical reappraisal of the foreign aid program—particularly emphasizing reductions in programs involving gifts and grants.

The underlying reason for its introduction is really very simple. No one wants to be considered a charity case. It is only human nature for a man not to want to be obligated to his neighbor to the extent that he loses his self-respect. So it is with nations. Rather than handouts, we should begin thinking in terms of encouraging these underdeveloped countries to stand on their own economic feet. In fact, only recently, a former Director of the International Cooperation Administration cited the need for reducing expenditures in this field and further added that we should "teach our friends abroad that our assistance is an emergency measure, not a continuing subsidy."

Surely, too, we must have learned by now that the old saying, "you can't buy friends" is as true today as when first uttered. The sooner we can reduce these type programs the sooner we can develop friendly relations with other nations of the free world based on respect and mutual admiration—which only springs from nations with self-respect.

I am sure, too, that the American taxpayer will overwhelmingly endorse the adoption of this amendment by the House today for they have been waiting some period of time to see some thought given to the reduction of this foreign aid grant program. Important as the impact of this amendment can be on our own national budget to reduce expenditures—I feel that the American people will welcome this action by the