

Elec. Surv.

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nated intervention plan if a long-term approach were in place that would recognize the beneficial effect to the long-term health of the international monetary system of such a shift to a broader based reserve system;

Whereas unilateral actions, including capital controls and protectionist trade barriers, taken by individual governments, including the United States, to protect their currencies and insulate their economies from the negative effects of changes in currency relationships could force more and more countries to adopt similar restrictions with serious implications for continued international trade and economic growth;

Whereas these monetary issues are no longer amenable to solutions developed on a consultative ad hoc basis but rather require long-term solutions reflecting the interdependence of countries today;

Whereas it is essential that confidence be rebuilt in the multilateral approach to solutions to our international economic problems; and

Whereas the forthcoming Economic Summit to be held in July in Bonn provides the immediate opportunity for the development of such a concerted, multilateral approach;

Whereas it is the growing consensus among the leaders of the other industrialized countries that, if these international initiatives are to succeed, the United States must take steps to put its own house in order: (1) by adopting a meaningful energy policy that will begin to cut United States dependence on imported oil and generate the required investment to spur new energy technology; (ii) by undertaking monetary and fiscal policies that recognize the deleterious effects of inflation on the United States domestic economy as well as on the international position of the dollar and, therefore, on the currencies of the other countries; and, (iii) by adopting a comprehensive program to improve the competitiveness of United States exports in international markets: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the Sense of the House that—

(1) the President recognize the severity of the international monetary crisis, which, if unchecked, has the potential of disrupting the domestic as well as international economy through a loss of confidence in the ability of governments to deal with the major economic issues of our time;

(2) the President undertake discussions culminating in the Economic Summit in July with the other industrialized countries with a view toward developing a closely coordinated approach to the grave international economic issues based on a sense of interdependence and mutual cooperation; and

(3) such an approach recognize the essentially structural problem facing the international monetary system caused by the exclusive reliance on the dollar as the key international monetary reserve asset and, consequently, should focus on a long-term solution to meet that problem.

H. CON. RES. —

Whereas many of the economic difficulties facing both developed and developing countries today are the legacy of the shock suffered by the world economy as a result of the massive escalation of oil prices since 1973, which continues to impose great burdens on the world economy;

Whereas the cost of oil imports continue to drain away important parts of the purchasing power of oil importing nations, chronically upsetting their international balance of payments, and requiring the continued borrowing of large amounts of capital;

Whereas economic growth has stagnated in many countries and the rise in the capital stock needed to increase productivity, raise standards of living, expand markets, and

avoid inflationary bottlenecks is not occurring;

Whereas it is essential that the OPEC countries in surplus, because of their growing stake in the economies of the industrialized nations, be tied more intimately into the international economy and be asked to assume greater responsibility for its proper functioning;

Whereas the inability of major OPEC surplus countries to absorb their current account surpluses has resulted in their accumulation of a surplus aggregating approximately \$175,000,000,000 in the last four years, with some projections of a surplus aggregating as high as \$200,000,000,000 for at least the next five, if not double that figure in the next ten years;

Whereas the recycling of the surplus OPEC funds through a sophisticated and resourceful complex of financial intermediaries (largely commercial banks) may have served the investment needs for the OPEC surpluses, it has failed to generate the macroeconomic policies in the oil importing countries needed to restore efficiently the equivalent purchasing power to the importing countries, especially the developing countries;

Whereas the oil importing developing countries require productive investment in order to cover their oil import deficits and to complement the aid and investment of the developed countries in stimulating the noninflationary growth and the expansion of broader markets for goods and services which the international economy requires so urgently to deal with stagnation and inflation;

Whereas without the expansion of markets, whether in the developing or developed countries, it will be extremely difficult to counter the escalating demands of protectionist forces to limit imports into the United States as well as United States investment abroad by demonstrating that an open international system results in higher levels of United States employment and domestic economic activity than does a closed international system with protectionist barriers to the free flow of goods and capital;

Whereas it is essential that a mechanism be created to make available a part of the surpluses of the OPEC countries as capital investment for those developing countries, which would stimulate economic growth in these countries and expand demand for the exports of the industrialized countries;

Whereas such a capital pool would be available only to those developing countries which would engage to develop rational economic policies that recognize their responsibilities to the international economic system on a basis of self-help and mutual cooperation: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the House that—

(1) the President together with the leaders of other industrialized countries begin discussions with the leaders of the OPEC countries with a view toward establishing a \$50,000,000 to \$100,000,000,000 capital pool for productive investments in the developing countries on appropriate terms and conditions which will recognize the concerns of the surplus OPEC countries, the recipient developing countries, the developed countries, and the International Financial Institutions;

(2) the President consider the political and security implications of these proposals in his discussions with the leadership of such OPEC countries; and

(3) the governments of the industrialized countries take into consideration—under conditions mutually agreeable to both them and such OPEC countries—the concerns of the OPEC surplus countries regarding the sustained value of their funds invested in the capital pool and their need for liquid assets in the event of unforeseen economic emergencies.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 15 minutes.

[Mr. MARTIN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE FOREIGN INTELLIGENCE ELECTRONIC SURVEILLANCE ACT—TO MEET ALL OUR REAL NEEDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. McCLORY) is recognized for 30 minutes.

Mr. McCLORY. Mr. Speaker, I have introduced H.R. 13442, the Foreign Intelligence Electronic Surveillance Act of 1978, in order to assure the American people that the President will not abuse his constitutional authority to engage in constitutional authority to engage in electronic surveillance for the purpose of obtaining foreign intelligence information.

From the time that electronic eavesdropping first became technically feasible up through the so-called Watergate period, electronic surveillance was at times used for other than valid Government purposes. While many justifications were given for this abusive activity, too often it was cloaked in a claim of national security. However, since the issuance by President Ford of Executive Order 11905 in 1976, and under President Carter's Executive Order 12036, foreign intelligence electronic surveillance—engaged in at the direction of the President—has in no way infringed on the legitimate privacy rights of American citizens.

Some have noted that while all is working well at the present time, a future administration could always modify or repeal existing guidelines. With this in mind—and so as to better assure the American public that their privacy rights are being protected—H.R. 13442 is proposed as a way of establishing strict, statutory restrictions on the use of foreign intelligence electronic surveillance while at the same time taking into account the valid needs of our intelligence agencies.

Mr. Speaker, my bill would prescribe procedures for the use of electronic surveillance within the United States to obtain information from foreign powers and their agents. While under the bill U.S. citizens could be targeted for foreign intelligence purposes, this could only be done if it is shown that he or she is acting clandestinely for or on behalf of a foreign power under circumstances that indicate such activities are contrary to the foreign policy or security interests of the United States. While such surveillance of U.S. citizens would be extremely rare, it must surely be understood that as a valid attempt for self-preservation our Government must be allowed to engage in electronic surveillance of any person—citizen or noncitizen alike—who is spying for a foreign power. It should be noted, however, that in the last 18 months only one U.S. citizen has been the subject of electronic surveillance: Ronald Humphrey who along with David Truong was convicted in a jury trial on May 19, 1978, on espionage charges.

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onage and other charges relating to the transmittal of classified USIA documents to the Vietnamese Government.

Mr. Speaker, my bill recognizes that the Constitution reposes in the executive branch initial responsibility to protect our country from foreign aggression. It would establish carefully drafted procedures mandating that whenever a U.S. citizen is to be targeted to obtain foreign intelligence information a specific authorization must first come from the President, the Attorney General, and another senior executive branch official employed in the area of national security or defense who is appointed by the President by and with the advice and consent of the Senate. Or, if a noncitizen is to be targeted, authorization must come from the Attorney General and the above-mentioned senior executive branch official.

Mr. Speaker, the bill would also establish "minimization procedures" which would restrict the use of information relating to U.S. persons and require that information be destroyed unless it is necessary to valid foreign intelligence or law enforcement purpose.

Mr. Speaker, so as to deter any executive branch official who might contemplate misusing the procedures of this bill, H.R. 13442, would establish harsh criminal penalties and subject an offending official to civil liability for any knowing violation of its terms.

Mr. Speaker, finally—and most importantly—the bill requires that on a semiannual basis the Attorney General must fully inform the Permanent Select Committee on Intelligence and the Select Committee on Intelligence of the other body on the executive branch's use of foreign intelligence electronic surveillance. Certainly, as long as Congress insists on exercising its constitutional function of overseeing executive branch activities, in this area, as well as in others, abuses can and will be prevented.

Mr. Speaker, so that my colleagues might better understand this admittedly complex piece of legislation, I am appending to my remarks an analysis of H.R. 13442:

ANALYSIS OF H.R. 13442—FOREIGN INTELLIGENCE ELECTRONIC SURVEILLANCE ACT OF 1978

I. WHAT ACTIVITIES ARE COVERED

Generally, the bill covers all domestic electronic surveillance for foreign intelligence purposes where a warrant would be required for law enforcement purposes.

The bill would regulate—

- (1) The intentional targeting by any means of electronic surveillance of international communications of U.S. persons in the U.S.
- (2) All wiretapping conducted within the U.S.
- (3) The intentional acquisition of wholly domestic radio communications where a warrant would be required for law enforcement purposes.
- (4) The installation or use of a monitoring device in the U.S. to acquire information not transmitted by wire or radio, where a warrant would be required for law enforcement purposes (beepers, transponders, pen registers, T.V. surveillance).

II. WHO MAY BE SURVEILLED

"Foreign Power"

- (1) A foreign government.
- (2) A faction of a foreign government not substantially composed of U.S. persons.

(3) An entity openly acknowledged to be controlled by a foreign government.

(4) A group engaged in international terrorism.

(5) A foreign based political organization not substantially composed of U.S. persons.

(6) An entity directed and controlled by a foreign government.

"Agent of a Foreign Power"

(1) A non-U.S. person who—

(a) Acts in the U.S. as an officer, member, or employee of a foreign power.

(b) Acts for a country that engages in clandestine intelligence activities in the U.S. contrary to the interests of the U.S.

(2) Any person (including a U.S. person) who—

(a) Engages in clandestine intelligence activities for or on behalf of a foreign power.

(b) Engages in sabotage or terrorism.

(c) Aids, abets, or conspires with someone to engage in (a), (b), or (c).

A "U.S. Person" is:

(1) A U.S. citizen or permanent resident alien (PRA).

(2) An unincorporated association composed substantially of U.S. citizens or PRAs unless it is a foreign power under (1), (2), or (3) above.

(3) A corporation incorporated in the U.S., unless it is a foreign power under (1), (2), or (3) above.

III. FOR WHAT PURPOSE

Only to acquire foreign intelligence information which is:

(1) Information necessary to certain defined security or foreign policy needs if information concerns U.S. persons;

(2) Information relating to such needs where the information concerns anyone else.

VI. HOW ELECTRONIC SURVEILLANCE MAY BE AUTHORIZED

A U.S. citizen may only be targeted for foreign intelligence electronic surveillance if a "surveillance certificate" is issued by the President, the Attorney General, and an executive branch official employed in the area of national security or defense who is confirmed by the Senate. A non-U.S. citizen may be targeted if a "surveillance certificate" is issued, under oath, by the Attorney General and an executive branch official as noted above.

V. CONTENTS OF A "SURVEILLANCE CERTIFICATE"

(1) The identity or description of the target of electronic surveillance.

(2) A certification that the target is a foreign power or an agent of a foreign power, and the basis for such certification.

(3) A certification that the facility to be surveilled is being or may be used by the target, and the basis for such certification.

(4) A statement of the minimization procedures.

(5) A statement that the purpose of the surveillance is to obtain foreign intelligence information.

(6) If the target is a United States person, a statement that the information sought cannot be reasonably obtained by normal investigation techniques.

(7) A statement of the period of time for which the surveillance is required to be maintained.

(8) A statement of the means by which the surveillance will be effected.

VII. MINIMIZATION PROCEDURES

Specific procedures designed to minimize the acquisition, retention, and dissemination of information concerning United States persons, consistent with the need of the United States to obtain, produce, and disseminate foreign intelligence information.

They shall include, where appropriate—

(1) Provisions for the destruction of unnecessary information.

(2) Provisions restricting how the information may be filed, retrieved, or disseminated.

(3) Provisions requiring the deletion of the identity of any United States citizen if the identity is not necessary to understand the foreign intelligence information.

(4) Provisions restricting who may approve the retention or dissemination of information including the identity of United States citizens,

(5) Provisions relating to internal review of the minimization process.

(6) Provisions requiring that a record be kept of how information concerning United States citizens is used or disseminated.

VII. PROCEDURES FOR AN AGGRIEVED PERSON TO CHALLENGE LEGALITY OF SURVEILLANCE OR OBTAIN DISCOVERY

(1) U.S. Court of Appeals (3 judge panel) will decide the matter if the government states that it does not intend to use the information obtained or derived from a foreign intelligence electronic surveillance. The proceeding is *in camera*, *ex parte*, and allows for disclosure to the defendant only where due process so requires.

(2) U.S. District Court (one judge) will decide the matter if the government concedes that it does intend to use such information. The proceeding is *in camera* and allows for disclosure to the defendant only where there is a reasonable question as to the legality of the surveillance and disclosure would likely promote a more accurate determination of such legality, or where such disclosure would not harm the national security.

If the surveillance is determined to be unlawful the judge must suppress the evidence or otherwise grant the motion in accordance with existing law.

If the surveillance is determined to be lawful, the judge must deny all motions.

VIII. MISCELLANEOUS PROVISIONS

(1) Congressional oversight.—Semiannual report to the House and Senate Intelligence Committees by the Attorney General who must fully inform the committees of all electronic surveillance under the bill.

(2) Emergency Surveillance.—Only if the usual procedures cannot be followed.

48 hours without a surveillance certificate.

If the target is a United States citizen, the President must be immediately informed.

A surveillance certificate must be issued as soon as possible, even if the surveillance is terminated before the end of the 48-hour period.

If a surveillance certificate is not issued all information obtained from the surveillance must be destroyed.

(3) All records must be retained for 20 years.

(4) Provides for civil and criminal liability for violations of the bill's provisions.

(5) Authorizes testing, training, and electronic countermeasures without a surveillance certificate.

(6) Common Carriers.—

Once electronic surveillance is authorized by the issuance of a surveillance certificate, the Attorney General may direct that common carrier assistance be furnished.

They cannot disclose the existence of the surveillance.

They are relieved from civil liability for all actions taken in conformity with a surveillance certificate.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

[Mr. KEMP addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman