FOREIGN ASSISTANCE AND FOREIGN MILITARY SALES ACT

The SPEAKER pro tempore. Under a previous understanding, Mr. Harrington, a Gentleman from Massachusetts (Mr. Harrington) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, in the coming few weeks, the Foreign Affairs Committee will be meeting to amend the Foreign Assistance Act and the Foreign Military Sales Act. I anticipate offering a series of amendments to this legislation designed to fulfill two purposes. One group of amendments will deal with limitations and conditions and Cuba exchanges—a policy which I believe to be in need of substantial change. The other group is designed to improve Congressional control over expenditures of foreign aid assistance and assistance programs.

On May 7, I introduced legislation to repeal the provisions existing in our foreign aid laws prohibiting trade with Cuba. Similar legislation has been introduced by my colleague from Ohio (Mr. WALTER) and by Mr. Rostenkowski of Illinois (Mr. OSTROGGER) to offer this bill an amendment to the Foreign Assistance Act when the Foreign Affairs Committee considers it. I would like to take this opportunity to discuss the reasons our policy towards Cuba has been so damaging.

In recent years the United States has committed itself to creating an “era of negotiations” and has engaged in broad efforts to attain détente with the People’s Republic of China and the Soviet Union—the leading Communist superpowers. While the United States has courted relations with the Communist giants, our attitude toward Cuba remains one of hostile neglect. I believe we should bring Cuba back into the free world. The United States have been traditionally friendly. It is time to renew this friendship. In fulfilling its purpose to weaken Castro’s domestic and international standing, the trade embargo has been a threat to American and Cuban people. The United States has cut its Cuba relations, and the trade embargo has undermined the Cuban people through continued shortages of consumer goods, rationing of essentials, the poor availability of necessary medical supplies. Moreover, we must acknowledge the fact that Castro appears to have the strong support of the majority of the citizenry of Cuba. Just as we have accepted the legitimacy of other Communist regimes, we must accept that we can no longer justify a policy toward Cuba which is indirectly at least founded on the premise of ending the Castro regime. Hence we must forsake the unproductive policy of long-term economic reprisal, and we must face the fact that the embargo instead of overthrowing Castro, may have strengthened him by enhancing popular support for his regime against the external threat posed by the policies of the United States. Resuming United States-Cuban trade would normalize the Cuban economy and ease the burden of development upon the Cuban people, hopefully earning their goodwill toward the United States and removing the whole of hemispheric relations.

The reduction of demands and the informal thawing of relations indicates the increased receptiveness on the part of the Cuban Government toward reestablishing relations between the two nations.

SOVIET MILITARY AND ECONOMIC PRESENCE IN CUBA

As suggested earlier, United States and OAS policies of enforced isolation have contributed significantly to the Cuban military and economic dependency on the Soviet Union.
sufficient cause to seek military assistance for defense. The Soviet military forces in Cuba are a direct threat to the national security interests of the United States. While the United States complains that the Soviet presence 90 miles from our shores is a threat to our own defense and security, we should not neglect the appreciable potential threat to Cuban security created by the United States military presence in Cuba and Guantanamo. I believe that it would be possible to solve, through negotiations with the Soviet Union, legitimate objections to the maintenance of a Soviet military presence in Cuba. But until such negotiations take place, I do not believe that the Cuban Government will forsake Soviet military aid, as it views as essential to Cuban security.

Economically, the Soviets are increasingly concerned with the inefficient use of Castro's substantial economic aid they provide. The Cubans have burdened the Soviet Union with an annual interest payment of $500 million. Receiving the embargo would open international markets to Cuban products, thereby easing the Soviet burden of having to propitiously and economically free the Cubans from exclusive dependency on Soviet subsidies.

**Unsettled property claims**

One argument that has been traditionally used against lifting the embargo on the sale of goods to Cuba is the unsettled property claim that remains outstanding from the expropriations which followed the advent of the Castro regime. I do not think these unsettled property claims remain a significant obstacle to resumption of relations between Cuba and the United States. The larger losses sustained in American corporations were long ago written off as tax losses. What remains are principally relatively small, individual claims, in the range of $20,000 to $50,000. It seems to me that these claims are unrelated to the satisfaction of all parties, as is evidenced by the agreements Cuba signed with France and Switzerland in 1967 for the settlement of compensation claims of those countries.

THE ARGENTINE SITUATION

Last year the Government of Argentina extended $12 million in credits to Cuba. Included in this package agreement was a deal for 44,000 automotive vehicles produced by General Motors, Ford, and Chrysler subsidiaries in Argentina. The Argentine Government stipulated that if the Argentine subsidiaries of America's big three auto companies did not supply the vehicles, then those firms would lose access to the Argentine market. This pressure caused the State Department to make an "exception" to the trade embargo, allowing the $150 million deal to go through.

In consequence, the president of the United Auto Workers Union, Leonard Woodcock, has deplored the consequences of the U.S. trade embargo, particularly upon auto workers. In a statement printed by the New York Times, Woodcock said:

> If American model cars are going to Cuba anyway, isn't it about time for our government to impose an embargo so that Cuba can buy motor vehicles produced in this country?

**Benefits of resuming relations with Cuba**

The claim has been made that the United States would derive no benefits from improved relations with Cuba. The simplest response to this argument is that the current underlying policy toward Cuba has provided no benefits; and indeed has proven a costly failure. Our attempts to isolate Cuba and transform Castro's politics have served only to further alienate him and to strengthen support for his regime. This policy of isolation has become a source of increasing tension and division among ourselves and the rest of the hemisphere. The potential benefits of renewed trade have been sacrificed to an ineffective and outdated foreign policy. We need a new and creative attitude toward relations with Cuba—an attitude that will reduce tensions and promote international understanding.

Normalizing relations with Cuba would be entirely consistent with the "detente" strategy pursued by the Nixon administration with other Communist powers. What is more, the economic benefits of improved relations are obvious. Many of our closest allies have maintained trade relations with Cuba all along, ignoring U.S. attempts to isolate that nation from international commerce. In 1958 the United States exported $546.9 million worth of goods to Cuba, importing $27.6 million, for a net trade surplus of $19 million. There is no reason to believe that the same kinds of economic advantages would not accrue to the United States in the course of improved relations and as a result of the repeal of the trade embargo.

The purpose of the amendment I intend to offer in the Foreign Affairs Committee is simple. It would repeal those existing provisions in the Foreign Assistance Act which constitute undesirable restraints upon normalizing relations with Cuba. The text of the proposed amendment follows:

**Amendment to H.R. — Offered by Mr. Hays**

Page 7, after line 7, insert the following new section:

**ASSISTANCE TO CUBA**

SEC. 19. (a) Section 301(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2221(b)) is amended by striking out the second sentence.

(b) Section 303(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2376) is amended—

(1) by inserting "military" before "assistance" the first and third times it occurs in paragraph (1) of subsection (a);

(2) by striking out the last sentence in paragraph (1) of subsection (a);

(3) by striking out paragraph (2) of subsection (a);

(4) by redesignating paragraph (3) of subsection (a) as paragraph (2) and by amending such paragraph to read as follows:

> (2) No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which fails to take appropriate steps to prevent ships or aircraft under its registry from transporting to Cuba (other than to United States installations in Cuba) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, arms, ammunition, or items of primary strategic significance, or items of war, atomic energy materials, or items of primary strategic significance used in the production of arms, ammunition, or implements of war; and

(5) by adding before the period in subsection (b) the following sentence: "except that only military assistance shall not be furnished to Cuba if the President determines that Cuba is dominated or controlled by the international Communist movement."

Resumer the following sections accordingly.

**REQUEST FOR MODIFIED OPEN RULE FOR H.R. 16090, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. HAYS) is recognized for 5 minutes.

Mr. HAYS. Mr. Speaker, I wish to advise my Democratic colleagues in the House that the Committee on House Administration has ordered favorably reported H.R. 16090, the Federal Election Campaign Act Amendments of 1974 and that I have been authorized and directed by the committee to request a modified open rule for consideration of the bill on the floor of the House of Representatives. We will file our committee report on the bill no later than midnight Tuesday, July 30, which, of course, will make it available early Thursday morning. I am making this announcement particularly directed to my Democratic colleagues in order to comply with rule 17 of the Democratic Caucus.

Mr. Speaker, I intend to request a rule which will permit committee amendments and germane amendments regarding, the composition of the Board of Supervisory Officers, definition of terms, public financing of Federal elections, and the consideration of bank loan endorsers as contributors. I will also ask the Rules Committee to require that all amendments which Members may wish to offer to the bill be printed in the Record 24 hours prior to their being considered.

**CAPTIVE NATIONS WEEK**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. STRATTON) is recognized for 5 minutes.

Mr. STRATTON. Mr. Speaker, 15 years ago I had the honor of joining with other Members of this body in approving legislation designating the third week of July as Captive Nations Week. In which we seek to remind ourselves of the fate of 100 million east and central Europeans now living under Communist domination, as well as millions of Asians.

Events in international affairs have to