UNITED STATES OF AMERICA

U.S. Congress.

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS
FIRST SESSION

VOLUME 119—PART 13

MAY 16, 1973 TO MAY 29, 1973

(PAGES 15853 TO 17214)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1973

and commercial ties with Yugoslavia and Rumania. Again, it is my judgement that OPIC operations in these Eastern European countries are in the national interest of the United States.

The third and final point I wish to make returns to the opening of my statement on the relation of OPIC to the development process.

As stated, I remain convinced that OPIC programs encourage an increased flow of private foreign investment to the developing world. In turn, this flow of private foreign caiptal stimulates the development process. OPIC does not make an investment guarantee unless the host country desires the investment to be made in that country. At times the guarantee is an essential element in determining whether the investment is to be made at all. I do not feel that it is a function of our Government or our Congress to second guess a decision of the leadership of a developing country that a foreign investment in some sector of their economy is desirable.

It is for the leadership of the developing country to make such a decision and after this decision is made and only after it is made, does OPIC make the decision as to whether the investment in question should be guaranteed or not.

In the case of Chile, the expansion of copper production in Chile was a priority goal of the Frei Government. The U.S. as a means towards furthering this Chilean development objective, guaranteed some new American investments in copper. Shortly after these investments were made and in at least one case even before the new investment came "on stream," the investments were expropriated as a policy decision of the new Allende government. OPIC became involved since it guaranteed the investments. In turn, the Kennecott case (El Teniente Copper Mine) has been the largest OPIC claim settlement to date. However, by no stretch of the imagination can I regard these OPIC guarantees as being anti-Chilean or anti-Chilean economic development—rather, when they were made, they were made on the understanding that they were serving the development interests of the Chilean government and the national interest of that government.

In this regard, it is worth recalling that American capital, developed the three major Chilean copper mines and that without this capital, the mines probably would not have been developed. In turn, the substantial tax revenues that accrued to the Chilean government from the operation of these mines and their copper exports (even when they were 100 percent American owned subsidiaries), provided much of the revenue used by the Chilean government to develop other sectors of the economy. Increased copper production in the context of the President Frei Chileanization agreements would have, in turn, led to steadily increasing tax revenues for the state and this increased production in turn was dependent on new inputs of foreign capital. It is also worth noting that the copper workers were the most strongly unionized group in Chile, they stood at the forefront of the free labor movement, and won wage gains and other benefits including free hospital care, that set an example for the whole nation.

So I reject out of hand the contention that American private foreign investment in Chilean copper mines did little for Chile. This is not to say that the U.S. did not have an interest in Chilean copper. I remind my colleagues that since at least the early 1950s that the United States has not been self sufficient in copper and that lower priced Chilean copper was an essential element in President Johnson's price stabilization program of the 1966–68 period.

This leads to the frequently heard criticism of OPIC that it unnecessarily involves the U.S. government in investment disputes. In my opinion it is worth noting that OPIC rather than involving the U.S. government in investment disputes thereby politicizing them, in fact, helps establish conditions for the adjudication of investment disputes in which the U.S. Government necessarily is involved by the very nature of the foreign assistance legislation passed by the U.S. Congress. I refer to the Hickenlooper amendment to our bi-lateral aid legislation which mandates the cut-off of bi-lateral aid if an investment dispute is outstanding, and the Gonzalez amendment which mandates a negative vote by the United States on loans from multilateral aid agencies in the case of an outstanding investment dispute. The investment dispute settlement process which has been pioneered and refined by OPIC helps bring such disputes into negotiation between the private U.S. company and the foreign government. This in turn helps insure that Hickenlooper or Gonzalez are not involved. Also, OPIC has informed me that it has never directly negotiated with a foreign government. It is fair to say that if such negotiations were not in progress, Hickenlooper and/or Gonzalez would be triggered under the present wording of our laws.

It is my hope and expectation that by the time the U.S. Congress repeals the Hickenlooper and Gonzalez amendments—and I do feel they should be repealed—that OPIC will be operating as a private insurance agency independent of the U.S. Government.

In conclusion Mr. Chairman, I have not closed my eyes to the difficulties OPIC has faced in the first years of its operations. But a careful weighing of the record clearly establishes that OPIC continues to be a success story and the continued operation of OPIC type programs are essential to future economic growth and stability of the United States. In turn, the operation of OPIC programs by encouraging direct private foreign investment in the developing world including the developing countries of Eastern Europe is directly beneficial to the programs of economic development of these nations.

CHILD ABUSE

Mr. MONDALE. Mr. President, in recent months my Subcommittee on Children and Youth has undertaken an extensive study of the tragic and pervasive problem of child abuse. We have been particularly moved by the publicity surrounding incidents of child abuse in the Washington area in recent months.

One of the main goals of the subcommittee's study has been to bring to the attention of the public the need for reporting the cases of child abuse so that youngsters can be protected from threatening situations before they are permanently harmed.

For this reason I was both pleased and saddened to read in the May 17 issue of the Washington Post that the number of reported cases of child abuse in the the Washington area has increased significantly in recent weeks. While I am saddened to know that acts of violence against children continue to occur, I am heartened to learn that the public is apparently becoming more aware of its role in helping to prevent and identify child abuse.

I ask unanimous consent that a copy of the article from the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ABUSE REPORTS INCREASE, PUBLICITY IN EFFORTS TO AID CHILDREN

(By Judy Luce Mann)

Increasing public awareness of child abuse and neglect has led to a substantial increase in the number of cases being reported in the District and in Montgomery County, according to court and police officials.

Nearly 50 per cent more cases of neglect and abuse were reported in the District during the first four months of this year compared with the same period last year, and there has been a 200 per cent increase in reports in Montgomery County during the same period.

Court and police officials in both jurisdictions attribute the increase to the recent publicity about the problem and to extensive media coverage of several cases of child abuse, particularly the Donna Stern case in Montgomery County. Joanna Stern was convicted in March of first-degree murder in the torture-slaying of her 9-year-old daughter, Donna.

"There's no question in my mind it's the publicity we're getting," said police Capt. Gabriel LaMastra, head of the county's youth division. "It seems like everybody's interested in child abuse. We have an awareness in the county now. Of course the Stern case created quite a bit of talk about it."

There has been "a big increase" in reports from schools and from private citizens, although some turn out to be unfounded, he said. Of 50 child abuse cases reported so far this year, 24 were determined to be unfounded and 26 were founded. There were nine reports of abuse in the same period last year, all of which were founded, he said. Eight of the 28 neglect cases reported this year were unfounded and 12 of the 17 cases last year were unfounded.

"One of the problems a police officer has is distinguishing between discipline and abuse," LaMastra said. Most jurisdictions define abuse as acts against a child under 18 years of age that involve serious bodily injury. Neglect is a charge generally applied when a child is undernourished, unsupervised, lacks physical or medical care, adequate housing or is not allowed to attend school.

Nan Huhn, a member of a special unit that handles child neglect and abuse cases in the District's corporation counsel's office, also said that more reports are being made by District schools, "which we rarely got before."

"Poor Donna Stern made the public aware of what horrible things people can do to their children," said Mrs. Huhn. "People who wouldn't get involved in, say, a burglary will get involved in child abuse cases. Everyone who gets involved feels they are doing something positive.

"Teachers are beginning to pick up on these things. They call the principal and the principal calls the youth division." She said that while schools and hospitals are reporting more cases, private physicians are not.

She said she has not handled cases referred by private physicians. She said that in the course of investigating two cases referred by hospitals she has found that the children were injured previously and treated by private physicians who did not report suspected abuse. "We still have doctors who don't want to get involved," she said.

The District code, she said, provides for "an affirmative duty legally to report (suspected child abuse) but no penalty if they don't. A gunshot has a criminal penalty (against a doctor) for not reporting, which is kind of interesting."

There were 174 cases of neglect, two of abandonment and 20 of child abuse in the District during the first four months of 1972, according to statistics of the Intrafamily and

Neglect branch of Superior Court. So far in 1973, there have been 59 cases of child abuse, 14 of abandonment and 207 of neglect. Judges ruled that abuse existed in 18 of the 20 cases in early 1972 and have found 21 cases of neglect so far this year, with 27 cases awaiting trial. Court officials said neglect is found in 60 to 70 per cent of the neglect cases that are petitioned.

One court official said she felt the increase in cases was due "to the rather substantial ventilation in the press of some of the cases. Doctors and hospital authorities are beginning to look a little more closely at injuries that don't have satisfactory explanations."

Ty Cullen, coordinator of inpatient social work at Children's Hospital and a member of the hospital's battered child team, which specializes in recognizing and treating such cases, believes that recent media coverage has caused "the community to become more aware. Education in the community has increased because of the press. Other hospitals are taking a closer look and taking a look at criteria for recognition" of abuse cases.

"I don't think there's an increase in abuse, but in recognition," he said.

D.C. General Hospital is now setting up a child abuse team and a registry of abuse and neglect cases that come to the attention of the hospital. The team will be composed of a doctor, nurse and social worker.

Children's Hospital also has a registry, and the name of each child seen at the hospital for a suspicious injury is checked against the registry to see if there is previous history of suspected abuse against that child or a sibling.

Fairfax County officials, while reporting no significant increase in reports of child abuse or neglect, said they are also setting up a countywide registry.

Vincent Picciano, director of juvenile court services in Fairfax, said guidelines and special forms for reporting cases are being distributed to public and private agencies throughout the county "that have contact with children."

Copies of the report will be kept in court files from now on, he said. The reporting system is being set up because of public awareness and concern about the problem, he said.

THE TRANS-ALASKA PIPELINE

Mr. STEVENS. Mr. President, a number of newspapers across the country have printed editorials urging the building of the trans-Alaska pipeline. I inserted a number of these in the CONGRESSIONAL RECORD on March 28. Since that date I have been apprised of additional editorials on the subject. I request unanimous consent for the printing of these in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Anchorage Daily Times, April 25, 1973]

THE PRESIDENTIAL TEXT

There has been much attention given to President Nixon's strong endorsement of immediate construction of the trans-Alaska pipeline in his energy policy statement to the Congress on April 18.

But what exactly did the President say?

For the record, here is the full text of that portion of Mr. Nixon's message under the heading, "Alaskan Pipeline;"

"Another important source of domestic oil exists on the North Slope of Alaska. Although private industry stands ready to develop these reserves and the Federal Government has spent large sums on environmental analyses, this project is still being delayed. This delay is not related to any adverse judicial findings concerning environmental impact, but rather to an outmoded legal restriction regarding the width of the right of way for the proposed pipeline.

"At a time when we are importing growing quantities of oil at great detriment to our balance of payments, and at a time when we are also experiencing significant oil shortages, we clearly need the two million barrels a day which the North Slope could provide—a supply equal to fully one-third of our present import levels.

"In recent weeks I have proposed legislation to the Congress which would remove the present restriction on the pipeline. I appeal to the Congress to act swiftly on this matter so that we can begin construction of the pipeline with all possible speed.

"I oppose any further delay in order to restudy the advisability of building the pipeline through Canada. Our interest in rapidly increasing our supply of oil is best served by an Alaskan pipeline. It could be completed much more quickly than a Canadian pipeline; its entire capacity would be used to carry domestically owned oil to American markets where it is needed; and construction of an Alaskan pipeline would create a significant number of American jobs both in Alaska and in the maritime industry."

In these four paragraphs, Mr. Nixon laid it out for Congress.

Just in case there still remained some doubts about the Alaska pipeline situation, it was further covered in a White House fact sheet that was distributed with copies of the message itself.

In that separate document, the White House went into specific detail on the Canadian proposals.

"The alternative of a pipeline through Canada was thoroughly studied prior to the Secretary's decision to authorize construction of the Trans-Alaska Pipeline (TAPS)," the White House statement said. "The TAPS can be built much more quickly, creating U.S. jobs and utilized entirely for U.S. needs. Much more needs to be done prior to construction of a Trans-Canada line; detailed engineering and environmental studies would be required, hearings would be required, and permits prepared. At least three to five years delay would be involved for a Trans-Canada route which would probably cause greater environmental damage because of increased distance and the greater number of river crossings."

Yet Congress still delays, because a powerful group of Midwestern and Eastern senators and representatives want the Canadian route.

It borders on the tragic.

[From the Chicago Daily News, April 9, 1973]

SPEED THE ALASKA PIPELINE

President Nixon has called for an "all-out" effort in behalf of a bill to allow construction of the trans-Alaska pipeline. The arguments are familiar in this dispute, and the need for this treasure of petroleum grows more critical as the United States heads for an energy crunch. The pipeline, as Interior Sec. Rogers C. B. Morton said, is "vital to the national interest."

Following the recent decision of the U.S. Supreme Court, Congress needs to amend the 1920 Mineral Leasing Act in order for the interior secretary to grant the 200-foot right-of-way required for the line across federal lands. Congress also could pass a law clearing up any environmental objections to the pipeline, as several years and millions of dollars have been spent to protect the Alaskan wilderness and to safeguard against oil spills at sea.

Morton estimates that even if Congress acts soon, it will be 1977 or 1978 before the oil will flow from the North Slope. And that will be near the time when the United States is importing nearly half of its oil—much of it from the politically unstable Middle East.

Some legislators are holding out for a trans-Canada route that would pump oil into Chicago. That plan would be attractive, but it is impractical. Canada is likely to want majority ownership of the line, plus a large share of the oil, the Canada line would take years longer to build.

The Alaska pipeline route is a clear case of a bird-in-the-hand. The oil is vitally needed, and to postpone the project only imperils the economic security of the United States.

[From the Columbus Citizen-Journal, Columbus, Ohio, March 5, 1973]

PERILS OF THE PIPELINE

The Nixon Administration deserves high marks for its persistent efforts to pipe oil out of northern Alaska to an ice-free tanker port at Valdez.

Interior Secretary Rogers C. B. Morton says he'll ask Congress and the Supreme Court to remove all roadblocks this year to the 789-mile pipeline.

Congress will be asked to amend a 1920 law that severely restricts pipeline right-of-way on public lands.

The Supreme Court will be asked to decide, once and for all, whether the pipeline plan meets environmental standards.

This may sound like a fairly simple process. But the pipeline project has taken so much flak from courts, conservationists and congressmen in the past four years that nothing is simple anymore.

The most perilous thing about the pipeline is getting it approved. The dangers (real or imagined) of operating it seem inconsequential compared to that.

To argue, as some wildlife lovers do, that the line should go through Canada is not very convincing. Even more fish and caribou would be disturbed by the Canadian route than by the much shorter Alaskan route.

The primary consideration is that the nation needs Alaskan oil. Every barrel piped from Prudhoe Bay will be one less barrel we have to import from the unstable Middle East.

That alone should be enough to prod Congress and the Supreme Court into the prompt action that Secretary Morton suggests.

[From the Dallas Morning News, Mar. 9, 1973]

ALASKAN OIL NEEDED

The Nixon administration has sent to Congress legislation which would provide a corridor across Alaska wide enough to build a pipeline to tap the vast Arctic petroleum reserves.

In view of the nation's critically low supply of available energy, the measure should receive prompt approval. But it likely will encounter strong opposition from environmentalists who want to save the Alaskan tundra from human activity, and from Eastern and Midwestern lawmakers who want the pipeline built across Canada to their front door instead of across Alaska.

The proposed trans-Alaskan pipeline has been stalled in federal courts for more than three years under challenge by environmental groups.

The latest setback to construction was the result of a Washington appeals court, which irresponsibly refused to rule on the environmental quesion. Instead, it blocked the pipeline on ground that the Interior Department could not grant a right of way more than 54 feet wide. A consortium of oil companies wanting to build the pipeline had requested 200 feet.

The proposed legislation would permit widening of the corridor to the desired 200 feet, a minimum believed necessary to construct the giant pipeline across the rugged Alaskan terrain.

A pipeline across Canada would cost far more than the $2 billion estimated to build