

92<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 3726**

[Report No. 92-890]

[Report No. 92-981]

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IN THE SENATE OF THE UNITED STATES

JUNE 19, 1972

Mr. MONDALE, from the Committee on Banking, Housing and Urban Affairs, reported the following bill; which was read twice and ordered to be placed on the calendar

JUNE 21 (legislative day, JUNE 19), 1972

Considered, read the third time, and passed

JUNE 22 (legislative day, JUNE 19), 1972

Passage vitiated and returned to the calendar

JUNE 23 (legislative day, JUNE 19), 1972

Referred to the Committee on Foreign Relations with instructions to report back within 30 days

JULY 24, 1972

Reported by Mr. SPARKMAN, with amendments

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

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**A BILL**

To extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, 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 TITLE I—AMENDMENTS TO THE EXPORT

4 ADMINISTRATION ACT OF 1969

5 SEC. 101. This title may be cited as the "Equal Export  
6 Opportunity Act".

1        SEC. 102. Section 2 (3) of the Export Administration  
2 Act of 1969 is amended by inserting before the period at  
3 the end thereof a comma and the following: "particularly  
4 when export restrictions applied by the United States are  
5 more extensive than export restrictions imposed by coun-  
6 tries with which the United States has defense treaty com-  
7 mitments".

8        SEC. 103. Section 3 of the Export Administration Act  
9 of 1969 is amended by adding at the end thereof the  
10 following:

11        "(6) It is the policy of the United States that the de-  
12 sirability of subjecting, or continuing to subject, particular  
13 articles, materials, or supplies, including technical data or  
14 other information, to United States export controls should  
15 be determined after review by and consultation with repre-  
16 sentatives of appropriate United States Government agencies  
17 and qualified experts from private industry."

18        SEC. 104. Section 4 (b) of the Export Administration  
19 Act of 1969 is amended—

20            (1) by inserting "(1)" after "(b)"; and

21            (2) by adding at the end thereof the following  
22 new paragraphs:

23        "(2) The Secretary of Commerce, in cooperation with  
24 appropriate United States Government departments and  
25 agencies and the appropriate technical advisory committees  
26 established under section 5 (c), shall undertake an investi-

1 gation to determine which articles, materials, and supplies,  
2 including technical data and other information, should no  
3 longer be subject to export controls because of their signifi-  
4 cance to the national security of the United States. Notwith-  
5 standing the provisions of paragraph (1), the Secretary  
6 of Commerce shall remove unilateral export controls on the  
7 export from the United States of articles, materials, or sup-  
8 plies, including technical data or other information, which  
9 he determines are available without restriction from sources  
10 outside the United States in significant quantities and com-  
11 parable in quality to those produced in the United States,  
12 except that any such control may remain in effect if the  
13 Secretary of Commerce determines that adequate evidence  
14 has been presented to him demonstrating that the absence  
15 of such a control would constitute a threat to the national  
16 security of the United States. The nature of such evidence  
17 shall be included in the special report required by paragraph  
18 (4).

19 “(3) In conducting the investigation referred to in  
20 paragraph (2) and in taking the action required under such  
21 paragraph, the Secretary of Commerce shall give priority  
22 to those controls which apply to articles, materials, and  
23 supplies, including technical data and other information,  
24 for which there are significant potential export markets.

1       “(4) Not later than six months after the date of  
2 enactment of the Equal Export Opportunity Act, the Secre-  
3 tary of Commerce shall submit to the President and to the  
4 Congress a special report of actions taken under paragraphs  
5 (2) and (3). Such report shall contain—

6           “(A) a list of any articles, materials, and supplies,  
7 including technical data and other information, which  
8 are subject under this Act to export controls greater than  
9 those imposed by nations with which the United States  
10 has defense treaty commitments, and the reasons for such  
11 greater controls; and

12           “(B) a list of any procedures applicable to export  
13 licensing in the United States which are more burden-  
14 some than similar procedures utilized in nations with  
15 which the United States has defense treaty commitments,  
16 and the reasons for retaining such procedures in their  
17 present form.”.

18       SEC. 105. Section 5 of the Export Administration Act  
19 of 1969 is amended by adding at the end thereof the  
20 following:

21       “(c) (1) The Secretary of Commerce shall appoint a  
22 technical advisory committee for each group of articles,  
23 materials, and supplies, including technical data and other  
24 information, which—

25           “(A) is or may be made subject to export controls

1 because of its significance to the national security of the  
2 United States; and

3 “(B) is difficult to evaluate for technical or stra-  
4 tegic reasons.

5 Each such committee shall consist of representatives of United  
6 States industry and government who may be appointed for  
7 terms of not more than two years. No person serving on  
8 any such committee who is representative of industry shall  
9 serve on such committee for more than two consecutive  
10 years.

11 “(2) It shall be the duty and function of the technical  
12 advisory committees established under paragraph (1) to  
13 advise and assist the Secretary of Commerce and any other  
14 department, agency, or official of the Government of the  
15 United States to which the President has delegated power,  
16 authority, and discretion under section 4 (d) with respect to  
17 actions designed to carry out the policy set forth in section 3  
18 of this Act. Such committees shall be consulted with respect  
19 to the level of United States export controls applicable to  
20 all articles, materials, or supplies, including technical data  
21 or other information, and including those whose export is  
22 subject to multilateral controls undertaken in cooperation with  
23 nations with which the United States has defense treaty com-  
24 mitments. Such committees shall also be consulted and kept  
25 fully informed of progress with respect to the investigation

1 required by section 4 (b) (2) of this Act. Nothing in this  
2 subsection shall prevent the Secretary from consulting, at  
3 any time, with any person representing industry or the  
4 general public regardless of whether such person is a mem-  
5 ber of a technical advisory committee. Members of the public  
6 shall be given a reasonable opportunity, pursuant to regula-  
7 tions prescribed by the Secretary of Commerce, to present  
8 evidence to such committees.

9 “(3) Any member of any such committee who is not  
10 an officer or employee of the United States shall be entitled  
11 to receive compensation at not to exceed the daily rate pre-  
12 scribed for GS-18 of the General Schedule under section  
13 5332 of title 5, United States Code, during such time as he  
14 is engaged in the performance of his duties as a member.  
15 Each member may be reimbursed for travel, subsistence,  
16 and other necessary expenses incurred in connection with  
17 his duties as a member.

18 “(4) Each such committee shall elect a chairman, and  
19 shall meet at the call of the Chairman but not less often than  
20 four times each year.”

21 SEC. 106. Section 14 of the Export Administration Act  
22 of 1969 is amended by striking out “August 1, 1972” and  
23 inserting in lieu thereof “June 30, 1974”.

24 SEC. 107. Nothing in this title shall be construed to  
25 require the release or publication of information which is

1 classified pursuant to Executive order or to affect the con-  
2 fidentiality safeguards provided in section 7 (c) of the Ex-  
3 port Administration Act of 1969.

4 TITLE II—COUNCIL ON INTERNATIONAL  
5 ECONOMIC POLICY

6 SHORT TITLE

7 SEC. 201. This title may be cited as the “International  
8 Economic Policy Act of 1972”.

9 STATEMENT OF PURPOSES

10 SEC. 202. It is the purpose of this title to provide for  
11 closer Federal interagency coordination in the development  
12 of a more rational and orderly international economic policy  
13 for the United States.

14 FINDINGS AND POLICY

15 SEC. 203. The Congress finds that there are many activi-  
16 ties undertaken by various departments, agencies, and in-  
17 strumentalities of the Federal Government which, in the  
18 aggregate, constitute the domestic and international eco-  
19 nomic policy of the United States. The Congress further  
20 finds that the objectives of the United States with respect  
21 to a sound and purposeful international economic policy can  
22 be better accomplished through the closer coordination of  
23 (1) domestic and foreign economic activity, and (2) in  
24 particular, that economic behavior which, taken together,  
25 constitutes United States international economic policy.

1 Therefore this Act establishes a Council on International  
2 Economic Policy which will provide for—

3 (A) a clear top level focus for the full range of  
4 international economic issues; deal with international  
5 economic policies including trade, investment, balance  
6 of payments, and finance as a coherent whole;

7 (B) consistency between domestic and foreign eco-  
8 nomic policy; and

9 (C) close coordination with basic foreign policy  
10 objectives.

11 The Congress intends that the Council shall be provided with  
12 the opportunity to (i) investigate problems with respect  
13 to the coordination, implementation, and long-range de-  
14 velopment of international economic policy, and (ii) make  
15 appropriate findings and recommendations for the purpose  
16 of assisting in the development of a rational and orderly  
17 international economic policy for the United States.

18 CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC  
19 POLICY

20 SEC. 204. There is created in the Executive Office of  
21 the President a Council on International Economic Policy  
22 (hereinafter referred to in this title as the "Council").

23 MEMBERSHIP

24 SEC. 205. The Council shall be composed of the fol-  
25 lowing members and such additional members as the Presi-  
26 dent may designate:

- 1 (1) The President.
- 2 (2) The Secretary of State.
- 3 (3) The Secretary of the Treasury.
- 4 (4) The Secretary of Defense.
- 5 (5) The Secretary of Agriculture.
- 6 (6) The Secretary of Commerce.
- 7 (7) The Secretary of Labor.
- 8 (8) The Director of the Office of Management  
9 and Budget.
- 10 (9) The Chairman of the Council of Economic  
11 Advisers.
- 12 (10) The Special Representative for Trade Nego-  
13 tiations.

14 The President shall be the Chairman of the Council and  
15 shall preside over the meetings of the Council; in his ab-  
16 sence he may designate a member of the Council to preside  
17 in his place.

#### 18 DUTIES OF THE COUNCIL

19 SEC. 206. Subject to the direction of the President, and  
20 in addition to performing such other functions as he may  
21 direct, it shall be the duty of the Council to—

- 22 (1) assist and advise the President in the prepa-  
23 ration of the International Economic Report required  
24 under section 207;
- 25 (2) review the activities and the policies of the

1 United States Government which indirectly or directly  
2 relate to international economics and, for the purpose of  
3 making recommendations to the President in connection  
4 therewith, consider with some degree of specificity the  
5 substance and scope of the international economic policy  
6 of the United States, which consideration shall include  
7 examination of the economic activities of (A) the vari-  
8 ous agencies, departments, and instrumentalities of the  
9 Federal Government, (B) the several States, and (C)  
10 private industry;

11 (3) collect, analyze, and evaluate authoritative in-  
12 formation, current and prospective, concerning interna-  
13 tional economic matters;

14 (4) consider policies and programs for coordinating  
15 the activities of all the departments and agencies of  
16 the United States with one another for the purpose of  
17 accomplishing a more consistent international economic  
18 policy, and make recommendations to the President in  
19 connection therewith;

20 (5) continually assess the progress and effective-  
21 ness of Federal efforts to carry out a consistent inter-  
22 national economic policy; and

23 (6) make recommendations to the President for  
24 domestic and foreign programs which will promote a  
25 more consistent international economic policy on the part

1 of the United States and private industry. Recommenda-  
2 tions under this paragraph shall include, but shall not be  
3 limited to, policy proposals relating to monetary mecha-  
4 nisms, foreign investment, trade, the balance of pay-  
5 ments, foreign aid, taxes, international tourism and avia-  
6 tion, and international treaties and agreements relating  
7 to all such matters. In addition to other appropriate  
8 objectives, such policy proposals should be developed  
9 with a view toward—

10 (A) strengthening the United States competi-  
11 tive position in world trade;

12 (B) achieving equilibrium in international pay-  
13 ment accounts of the United States;

14 (C) increasing exports of goods and services;

15 (D) protecting and improving the earnings of  
16 foreign investments;

17 (E) achieving freedom of movement of people,  
18 goods, capital, information, and technology on a  
19 reciprocal and worldwide basis; and

20 (F) increasing the real employment and in-  
21 come of workers and consumers on the basis of  
22 international economic activity.

23 REPORT

24 SEC. 207. (a) The President shall transmit to the Com-  
25 mittee on Banking, Housing and Urban Affairs of the Senate,

1 the Committee on Banking and Currency of the House of  
2 Representatives, and the Joint Economic Committee an  
3 *Congress* an annual report on the international economic posi-  
4 tion of the United States. Such report (hereinafter referred to  
5 as the "International Economic Report") shall be submitted  
6 not later than sixty days after the beginning of each regular  
7 session of the Congress, and shall include—

8 (1) information and statistics describing character-  
9 istics of international economic activity and identifying  
10 significant current and foreseeable trends and develop-  
11 ments;

12 (2) a review of the international economic program  
13 of the Federal Government and a review of domestic  
14 and foreign economic conditions and other significant  
15 matters affecting the balance of international payments  
16 of the United States and of their effect on the inter-  
17 national trade, investment, financial, and monetary posi-  
18 tion of the United States; and

19 (3) a program for carrying out the policy objec-  
20 tives of this title, together with such recommendations  
21 for legislation as he may deem necessary or desirable.

22 (b) The President may transmit from time to time to  
23 the Congress reports supplementary to the International  
24 Economic Report, each of which may include such supple-  
25 mentary or revised recommendations as he may deem neces-

1 sary or desirable to achieve the purposes and policy objec-  
2 tives set forth in this title.

3 EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

4 SEC. 208. (a) The staff of the Council shall be headed  
5 by an Executive Director who shall be appointed by the  
6 President. It shall be the duty of the Executive Director to—

7 ~~(1)~~ direct the activities of the Council staff,

8 ~~(2)~~ develop the agenda and supporting materials  
9 for Council meetings and review all matters before the  
10 Council; and

11 ~~(3)~~ establish a work program, including topics  
12 and the selection of individuals to carry out particular  
13 assignments.

14 *The staff of the Council shall be headed by an Executive*  
15 *Director who shall be an assistant to the President and direct*  
16 *the Council staff. He shall keep the Committee on Banking,*  
17 *Housing and Urban Affairs of the Senate, the Committee*  
18 *on Banking and Currency of the House of Representatives,*  
19 *the Committee on Foreign Relations of the Senate, the Com-*  
20 *mittee on Foreign Affairs of the House of Representatives,*  
21 *and the Joint Economic Committee fully and currently in-*  
22 *formed regarding the activities of the Council.*

23 (b) (1) With the approval of the Council, the Execu-  
24 tive Director may appoint and fix the compensation of such  
25 staff personnel as he deems necessary. Except as provided

1 in paragraph (2), the staff of the Council shall be appointed  
2 subject to the provisions of title 5, United States Code, gov-  
3 erning appointments in the competitive service, and shall be  
4 paid in accordance with the provisions of chapter 51 and  
5 subchapter III of chapter 53 of such title relating to classi-  
6 fication and General Schedule pay rates.

7 (2) With the approval of the Council, the Executive  
8 Director may appoint and fix the compensation of one officer  
9 at a rate of basic compensation not to exceed the rate pro-  
10 vided for level IV of the Federal Executive Salary Sched-  
11 ule, and appoint and fix the compensation of two officers  
12 at rates of basic compensation not to exceed the rate pro-  
13 vided for level V of the Federal Executive Salary Schedule.

14 (c) With the approval of the Council, the Executive  
15 Director may procure temporary and intermittent services  
16 to the same extent as is authorized by section 3109 of title 5,  
17 United States Code, at rates not to exceed the daily equiva-  
18 lent of the rate provided for GS-18.

19 (d) Upon request of the Executive Director, the head  
20 of any Federal agency is authorized to detail, on a reim-  
21 bursable basis, any of its personnel to the Council to assist  
22 it in carrying out its duties under this title.

23 ~~(e) Section 5313 of title 5, United States Code (re-~~  
24 ~~lating to positions at level II of the Executive Schedule),~~  
25 ~~is amended by adding at the end thereof the following:~~



92<sup>d</sup> CONGRESS  
2<sup>d</sup> SESSION

Calendar No. 931

**S. 3726**

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[Report No. 92-981]

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By Mr. MONDALE

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