

seems clear that the sooner a claim is presented after a loss occurs, the more accurately will facts be documented and supported, the sharper will be the recollection of witnesses and the better can justice be done in determining the validity and proper amounts of claims.

Another compelling reason for the prompt passage of S. 3675 is that the valuable information gathered through the presentation of claims provides the United States with a basis and starting point for seeking satisfactory indemnification on the international level—for use at a time when a negotiated settlement of the claims against the foreign government becomes feasible.

The preadjudication of claims will give the State Department as accurate a picture as possible of the nature and amount of valid and legitimate claims that U.S. nationals have against the Chinese Communist regime, and the possibility that, through oversight or inadvertence, the interests of U.S. nationals will be compromised can be largely averted.

It is, perhaps, worth noting that in a report prepared in 1963 for the use of the Committee on Foreign Affairs of the House and printed under the title "Expropriation of American-Owned Property by Foreign Governments in the 20th Century" the following statement appears:

As of 1949, the value of U.S. investments in China were [sic] estimated at \$56 million, not including various schools and universities, such as Peiping Union Medical College, St. John's University, and Yale in China, or U.S. embassy and consular property. After the Communist takeover, all of this was taken (p. 16).

I am not familiar with the source of the \$56 million figure contained in the report that I have just quoted, but, as I stated at the beginning of my remarks, the companies on whose behalf I am appearing had invested in mainland China over \$60 million.

If the U.S. Government were to base any eventual settlement of American claims against the Communist regime upon a supposed amount of \$56 million invested by U.S. nationals in China, the likelihood of a serious miscalculation is all too evident.

Further, passage of S. 3675 will serve to emphasize the importance which the United States attaches to the view that nations must observe in their relations with each others' nationals at least a basic standard of morality and fair dealing. And the restatement of this fundamental principle in relation to U.S. claims against Communist China may, perhaps, demonstrate that the U.S. Government remains steadfast in this view regardless of the passage of time since the confiscatory actions took place.

It is very clear that the bill does not contemplate the appropriation of funds for the payment of claims. In fact, the bill if passed will become part of a statute which expressly states that it shall not be construed as indicating any intention to authorize an appropriation for the purpose of paying the claims. Thus, the claims program will not cost the United States other than the usual administrative expenses for the work of the Foreign Claims Settlement Commission.

In summary, the reasons supporting the prompt passage of the Cuban Claims Act are equally present in the case of S. 3675. In view of the lapse of time since the Communists seized power in China and embarked upon their program of arbitrary confiscation, these reasons take on an added importance. The establishment of a reliable