

The State Department claims that the United States-Bulgarian agreement is the best that it could obtain. If this is so, it was for political reasons only and not economic reasons. Economically, it is clear that Bulgaria had the ability to pay the full amount of the unpaid balance of the awards plus the claims of the new claimants covered. Bulgaria has no shortage of foreign exchange as is indicated by its trade with foreign countries other than the United States.

The Congress should take steps to assure that if claimants are hurt by the State Department's policy toward Bulgaria and Rumania as shown by the unfair United States-Bulgarian and United States-Rumanian agreements, such claimants should be reimbursed by the U.S. Government.

Mrs. KELLY. Mr. Casarella, you are opposed to the present provisions of the bill as they affect the Bulgarian claims program, is that correct?

Mr. CASARELLA. Yes.

Mrs. KELLY. You feel that the entire amount recently paid by Bulgaria, the \$400,000, should be distributed among those claimants whose claims arose before 1955? Is that correct?

Mr. CASARELLA. Yes.

Mrs. KELLY. You also feel the United States had no right to accept the \$400,000 as full and complete settlement of these claims?

Mr. CASARELLA. Yes.

Mrs. KELLY. Against Bulgaria, is that correct?

Mr. CASARELLA. No.

Mrs. KELLY. Aren't the provisions of our agreement with Bulgaria similar in this respect to the provisions of other claim agreements?

Mr. CASARELLA. There is a difference.

Mrs. KELLY. And you want the U.S. Congress to appropriate funds from the U.S. Treasury to pay in full the claims of American citizens who lost property in Bulgaria?

Mr. CASARELLA. Yes; because that is not our fault.

Mrs. KELLY. Has the Congress ever taken such action with respect to claims against other countries?

Mr. CASARELLA. It is in the Japanese treaty and in the bill of 1821. There is a precedent where the U.S. Government has compensated for these claimants whose rights have been foregone.

Here, the administration has, contrary to the stipulation of the existing law 285, made a settlement and foregone our rights to collect from Bulgaria.

Mrs. KELLY. Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. No questions.

Mrs. KELLY. Mr. Monagan.

Mr. MONAGAN. No questions.

Mrs. KELLY. I appreciate your testimony.

Mr. Panzer is our next witness.

Knowing Mr. Panzer, I know he will do an excellent job in presenting his statement.

**STATEMENT OF IRVING R. M. PANZER, ATTORNEY,
WASHINGTON, D. C.**

Mr. PANZER. He is going to be very brief.
I appreciate this opportunity—