

FOR IMMEDIATE RELEASE

JUNE 14, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

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THE WHITE HOUSE

STATEMENT OF THE PRESIDENT

THE BRIEFING ROOM

11:35 A.M. EDT

Ten weeks ago I appointed a Task Force headed by Secretary Richardson to review our policies toward corporations that engage in questionable payments to other nations. Today, based upon the findings of that Task Force, I am announcing three new initiatives.

First, as a deterrent to bribery by American-controlled industries, I am directing the Task Force to prepare legislation that would require corporate disclosure of all payments made with the intention of influencing foreign government officials. Failure to comply with the new disclosure laws would lead to civil and criminal penalties.

Second, I am announcing my support of pending legislation to strengthen the law requiring corporations to keep their shareholders fully and honestly informed about their foreign behavior.

Finally, I am asking our major trading partners to work with us in reaching agreement on a new code to govern international corporate activities. Let me emphasize my conviction that the vast majority of American-based corporations are honest, upstanding citizens in the international community. Nonetheless, we must recognize that unethical behavior by only a few companies can spoil the environment for everyone. Our system of private enterprise, a system that has provided a higher standard of living and greater economic security than any system known to man, is under constant attack today because many citizens no longer trust big business.

In order to renew and to restore public faith in free enterprise, we must avoid or provide the public with concrete assurance that major corporations are clean and honest.

The initiatives I am announcing today can be a big step in that direction.

Thank you very much.

END (AT 11:37 A.M. EDT)