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Corrections for Volume XXXIX

The Editor of the Bulletin wishes to call attention to the following errors in Volume XXXIX:

July 21, page 95: The date of the President's letter should read "July 1, 1958."

August 11, page 231, footnote in right column: The footnote number should read "5" and the date should read "July 20."

August 11, page 233, left column: The dateline at the end of the Soviet letter should read "Moscow, July 19, 1958."

August 18, page 295, left column, third line of text: The date should read "July 14."

November 10, page 760, left column, item entitled Tunisia: The TIAS number should read "3794."

INDEX

Volume XXXIX, Numbers 993-1018, July 7-December 29, 1958

Adair, Charles W., 519

Adams, Francis L., 466, 773

Adenauer, Konrad, 237, 281

Advisory Board, International Development, 493

Advisory Commission on Educational Exchange, State Department, appointment to, 422

Aerial photography. See under Surprise attack

Aerial refueling facilities in Canada, agreement with Canada relating to establishment, maintenance, and operation of, 87

Afghanistan :

Prime Minister, visit to U.S., 127

Sino-Soviet economic offensive in, 32, 923

Treaties, agreements, etc. :

Continental shelf, convention on, 848

Cultural relations, agreement with U.S., 87, 128

Fishing and conservation of living resources of high seas, convention on, 848

High seas, convention on, 848

Territorial sea and contiguous zone, convention on,

Universal postal convention (1957), 403

Africa (Sec also individual countries):

All-African peoples conference, address and message: Nixon, 1042; Satterthwaite, 641

Bureau of African Affairs, established in State Department, 475

Economic aid, need for, statement (Dillon), 1056

International Scientific Committee for Trypanosomiasis Research, 490

Small businesses in, U.S. efforts to expand, excerpts from President's report to Congress, 86

South Africa, race conflict in, statement (Harrison) and text of General Assembly resolution, 842

Soviet-bloc economic offensive in, article (Wright), 923 Trust territories in, administration and progress to-

Trust territories in, administration and progress toward self-government:

Address and statements: Marian Anderson, 1028, 1029, 1073; Salomon, 840; Satterthwaite, 643; Sears, 844

U.N. resolutions, texts, 841, 845

U.S. policy toward, address (Satterthwaite), 641

Visit of U.S.-U.K. scientific panel to, 782

Aggression, indirect, Communist (sec also Middle East situation), addresses and statements; Dulles, 265, 266, 268, 269, 270, 271, 307, 373, 375, 376; Eisenhower, 185, 274; Lodge, 190, 195; O'Connor, 882, 883; Wilcox, 507

Agricultural surpluses, U.S., use in overseas programs;

land, 223; India, 176, 535, 591, 592, 636; Israel, 176, 555, 892; Italy, 176; Mexico, 176, 936; Pakistan, 1076; Peru, 475, 760; Poland, 87; Spain, 176, 825, 826, 848; Turkey, 176, 323, 404, 1031; Viet-Nam,

176; Yugoslavia, 176, 592

CARE distribution of, address (Reinhardt), 515

Disposal policy:

Address and statements: Dulles, 66; Eisenhower, 206 13th session of GATT Contracting Parties, review, 934

Emergency relief to: Ghana, 665; Lebanon, 68

Presidential reports on:

Agricultural Trade Development and Assistance Act (Jan. 1-June 30, 1958), 423

Mutual security program (July 1-Dec. 31, 1957), excerpts, 87

Agricultural Trade Development and Assistance Act, President's 8th semiannual report to Congress (Jan. 1-June 30, 1958), 423

Agriculture (see also Food and Agriculture Organization):

Arab states, need for agricultural expansion, address (Durns), 471, 472

Colombo Plan countries, development in, extract from 7th annual report, 863

Commodity trade problems. See Commodity trade

U.S.-Soviet agreement for reciprocal exchange of delegations, U.S. report, 390

Aid to foreign countries. See Economic and technical aid, Military assistance, and Mutual security

Air navigation and transport. See Aviation

Aircraft. See Aviation

Albania:

Independence day, 966

Universal postal convention (1957), 403

Algeria, universal postal convention (1957), 403

Aliens, U.S. immigration and naturalization procedures, address (Auerbach), 621

All-African peoples conference, address and message: Nixon, 1042; Satterthwaite, 641

Allen, George V., 211

Alt, Richard M., 474

Ambassadorial talks, U.S.-Communist China. See Warsaw ambassadorial talks American principles, addresses: Lodge, 448; Rubottom, 657

American Republics. See Latin America and individual countries

American States, Organization of, See Organization of American States

Anderson, Miss Marian, 294, 1027, 1073

Anderson, Robert B., 414, 793, 794, 795

Antarctica:

Ellsworth Station, U.S. and Argentine cooperation regarding, text of joint announcement, 210

Peaceful uses, acceptance of U.S. proposal to negotiate treaty on, address (Dulles), 899

Antillon Hernández, Carlos S., 10

Antofagasta, Chile, rawinsonde observation station, 1031 ANZUS Council, Washington meeting, agreed announcement and delegations, 612

Arab-Israeli dispute, article (Ludlow), 775, 776

Arab Republic, United. See United Arab Republic

Arab states (see also individual countries):

Development institution, proposed establishment of, addresses: Beale, 968; Burns, 473; Dillon, 871; Dulles, 737, 773; Eisenhower, 339, 341; Murphy, 908; Wilcox, 507, 1000

Dispute with Israel, article (Ludlow), 775, 776

Economic development in, planning for, address (Burns), 469

Italian relations with, U.S. views, address and statement; Dulles, 950; Zellerbach, 960

Nationalism, U.S. position on, statements: Dulles, 269; Lodge, 192, 195

Pact of the League of Arab States, 410, 411, 686

Palestine refugee problem, U.S. and U.N. efforts to solve, address and statement; Hickenlooper, 798; Ludlow, 775

Unrest in. See Middle East situation

Arab Union (see also Iraq and Jordan), U.S. Ambassador to confirmation, 176

Arbitral Commission on property, rights and interests in Germany, 41,983

Arctic inspection zone. See under Surprise attack Argentina:

Ambassador to U.S., credentials, 54

Ellsworth Station, Antarctica, continued work on, text of joint announcement with U.S., 210

President to visit U.S., 954

Treaties, agreements, etc.:

Aircraft, convention (1948) on international recognition of rights in, 403

Continental shelf, convention on, 554

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

U.S.-Argentine relations, letters: Eisenhower, 210; Florit, 348; Frondizi, 211

Armaments (see also Arms supply; Atomic energy, nuclear weapons; and Disarmament);

East-West trade, Battle Act embargo list, revised, 467

Armaments-Continued

International control and reduction of:

Addresses and statements: Dulles, 527; Hickenlooper, 783; Lodge, 749, 750; Murphy, 874, 876

U.S. and Soviet positions, statement (Dulles), 240

Western views on, text of U.S.-U.K.-French memorandum, 13, 16

International traffic in arms, U.S. regulations amended, text, 970

NATO weapons, availability of, excerpt from President's report to Congress, 83

Armed forces:

Double nationality, protocol (1930) relating to military obligations in cases of, 403

Free world, contributions to mutual security program, address (Smith), 380

Geneva conventions (1949) relative to treatment in time of war, 555, 848, 1075

In Japan, agreement regarding status of U.N. forces,

In Korea, withdrawal of:

Chinese Communist announcement of, U.S. views, statements, Dulles, 772; Hickenlooper, 1023

U.N. Command replies to Communist requests, texts, 781, 1003

Reduction of:

Western and Soviet positions, 13, 16, 19, 97, 749

Soviet, propaganda regarding alleged superiority of, 955, 956

U.K. forces in Jordan. See United Kingdom: Dispatch of troops

U.N. Emergency Force for the Middle East, 220, 325, 326

Armed forces, U.S.:

In the Middle East. See Middle East situation Military bases, overseas. See Military bases

Military housing, use of foreign currencies for construction, renting, and procurement abroad, 426,

Military missions, agreements for, with: Brazil, 1075; Haiti, 892; Jordan, 651

Need for maintaining, address (Herter), 1038

Personnel detained by:

Czechoslovakla, U.S. requests release for alleged border violations, texts of notes, 660

East Germany, helicopter crew and passengers, U.S efforts for release, statements (Dulles), texts o U.S. aide memoire and Soviet note, 50, 108, 109, 110, 147

Soviet Union, crew of transport plane, U.S. request return of, statements (Dulles), and texts of U.\$ and Soviet notes and memorandum, 110, 146, 202

Radio network, agreements with France relating to establishment, 518

U.S. Marines, withdrawal from Guantanamo Nave Base water installation, 282

Armistice agreement, Korean, Communist violations of statement (Hickenlooper), 1022, 1023

Arms supply:

Cuba, U.S. denial of shipments to, 153

Near East, proposed U.N. control of, 340, 341

Arms supply—Continued

Soviet supply to Communist China, 389, 1009

U.S. supply to Republic of China, 600

Asia, South Asia, and Southeast Asia (see also Far East and individual countries);

ANZUS Council, Washington meeting, agreed announcement and delegations, 612

Collective security. See ANZUS Council and Southeast Asia Treaty Organization

Communist subversion in. See under China, Communist

ECAFE, working party on economic development, U.S. delegate to, 474

Economic development (see also Colombo Plan), address, article, and statements; Dillon, 1956; Dulles, 561, 951; Wright, 923

U.S. policy toward, text of U.S. memorandum to missions abroad, 386

Water-resources experts, visit to U.S., 347

Asia Cement Corporation, 238

Asian economic development fund, loan to India, 156 Aswan Dam, 770, 773

Athletic groups, exchange of, U.S. report on agreement with Soviet Union, 391

Atlantic Alliance (see also North Atlantic Treaty Organization), Italy's place in, address (Zellerbach), 959

Atlantic Community (see also North Atlantic Treaty Organization), address and remarks (Dulles), 571, 765

Atlantic Fisheries, Northwest:

International Commission for the, appointment of U.S. commissioner to, 936

Protocol to international convention for, 403

Atomic energy, nuclear weapons:

Control and limitation, Soviet and Western positions, statement (Lodge) and texts of memoranda, 13, 16, 17, 750

Equipping of U.S. bomber flights toward Soviet Union with, U.S. denial of Soviet charges, texts of notes, 648

Polish proposal for zone free of in Central Europe, Soviet support of, 18

Renunciation of use of, Soviet proposal, 18

Testing of, proposed cessation and suspension:

Agreement on:

Geneva meeting to conclude. See Geneva meeting to negotiate

U.S. offer to Soviet Union to negotiate in N.Y., statement (Eisenhower) and text of note, 378

Detection of violations, Geneva meeting on. See Geneva conference of experts

Senator Gore proposal to voluntarily stop, statement (Dulles), 951

Soviet tests and announcements to discontinue, U.S. views, addresses, announcement, and statements: Berding, 56, 956; Department, 617; Eisenhower, 810; Lodge, 788

U.N. consideration of problem of, statements and texts of General Assembly resolutions, Hickenlooper, 783; Lodge, 787, 790; texts, 791, 792 Atomic energy, nuclear weapons-Continued

Testing of, proposed cessation and suspension—Con.

U.S. and Soviet positions, addresses, correspondence, and statements: Barco, 754; Department, 148, 772;
Dulles, 9, 768, 771, 773, 809, 810, 812, 813, 952;
Hickenlooper, 784, 785, 786; Khrushchev, 97; Lodge, 747, 751, 752, 753; Murphy, 875; Soviet note and aide memoire, 101, 463; U.S. aide memoire, 101; Wilcox, 998

Western position, text of U.S.-U.K.-French memorandum, 13, 16

U.S. test to demonstrate reduced fallout, cancelled, 237 Atomic energy, peaceful uses of, 2d U.N. international conference on, U.S. exhibit and representatives, 400, 493

Atomic energy, peaceful uses of (see also Atomic Energy Agency and European Atomic Energy Community):

Agreements with: Brazil, 175, 222; China, Republic of, 1055, 1075; Cuba, 505, 518; Denmark, 54, 87, 518; EURATOM, 41, 70, 475, 830, 892; Ireland, 176; Japan, 40, 41, 674, 675; Venezuela, 673, 675

Coordination of activities and cooperation in field of, remarks and statement: Kotschnig, 366; McCone, 668

Exhibits on, proposed exchange with Soviet Union, 391 Opportunities in a nuclear age, address (Phillips), 831 Soviet proposal for agreement with U.S. and European states for cooperation, 465, 466

U.S. efforts to promote, address (Dulles), 900

Atomic energy, radioactive fallout:

Safeguards against, U.S. proposal for IAEA development, remarks (McCone), 670

U.S. test to demonstrate reduced fallout, cancelled, 237 Atomic Energy Agency, International:

Annual report, U.S. views on, statement (Hickenlooper), 935

Establishment and role of, addresses and report: Cargo, 730; Dulles, 900; Eisenhower, 219

First-year accomplishments, address (Wilcox), 510

Relationship to EURATOM and U.N. specialized ageneies, 71, 72, 73, 366

2d General Conference, remarks (McCone) and U.S. delegation, 633, 668

Statute, 134, 330, 475, 554

U.S. representative, resignation, 673

Atomic Energy Commission, U.S., functions regarding proposed U.S.-EURATOM nuclear power program, 70, 71, 76, 77

Atomic Energy Community, European. See European Atomic Energy Community

Atomic energy for mutual defense purposes, agreement for cooperation with U.K., announcement, correspondence, and message, 134, 157, 161 (text), 310, 331

Atomic energy materials, Battle Act embargo list, 468 Atoms-for-peace. See Atomic energy, peaceful uses of

Auerbach, Frank L., 621

Australia:

Administration of Nauru and New Guinea as trust territories, 715, 1029

ANZUS Council, Washington meeting, 612 Tariff negotiations with U.S., 215, 349 Australia-Continued

Treaties, agreements, etc.:

Continental shelf, convention on, 848

Fishing and conservation of living resources of high seas, convention on, 848

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

Geneva conventions (1949) on freatment of prisoners of war, wounded and sick, and civilians, 1075

High seas, convention on, 848

Postal parcels, agreement with U.S. for exchange between Papau and New Guinea, 715

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

Austria:

Nuclear weapons tests, suspension of, resolution cosponsored by, statements (Lodge), 790, 791, (text) 792

Renegotiation of tariff concessions, 215

Travel of U.S. citizens in Department announcement regarding, 422

Treaties, agreements, etc.:

Air services transit, international agreement, 1075 Disputes, compulsory settlement of, optional protocol concerning, 848

Double nationality, protocol (1930) relating to military obligations in cases of, 403

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

German external debts, agreement on, 518

High seas, convention on, 848

Investment guaranty, agreement with U.S. amending 1952 agreement, 848

State treaty, 715

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

War damage and restitution legislation, 619

Austrian state treaty, 715

Auto travel, international. Sec Travel Aviation:

Aerial photography. See under Surprise attack Air navigation, international symposium on, 535

Aircraft, U.S.:

Flights over international waters, text of U.S. note protesting Soviet attacks on, 909

Flights toward Soviet Union, U.S. rejects Soviet charges regarding, texts of notes, 648

Helicopter, crew, and passengers detained in East Germany, correspondence and statements regarding return of: Dulles, 109, 110; Defense-State Departments press release, 50; Soviet note, 148; U.S. aide memoire, 52, 108, 147

Navy Neptune plane case, submitted to 1CJ, and Soviet rejection of 1CJ jurisdiction, 420, 698

Soviet attack on transport plane near Yerevan, texts of U.S. and Soviet notes regarding, 146, 202

Transport plane crash in Soviet Armenia, U.S. requests information on, texts of notes, 505, 531, 618, 659, 885

Transportation of salk vaccine to San Marino, 699

Aviation-Continued

Aircraft, U.S.-Continued

Violations of Soviet airspace, text of U.S. note rejecting Soviet charges, 885

Civit Aviation Organization, International. See International Civit Aviation

National Aeronautics and Space Act of 1958, statement on signing (Eisenhower), 327

Treaties, agreements, etc.:

Aerial refueling facilities in Canada, agreement with Canada relating to establishment, maintenance, and operation of, 87

Air navigation equipment, agreement extending 1955 agreement with Federal Republic of Germany for lease of, 134

Air navigation services in Faroe Islands, Greenland, and Iceland, agreements (1956) for joint financing, 87

Air services transit, international agreement on, 1075 Air transport, agreements with: Brazil, 1031: Denmark, 175, 223; France, 296; Mexico, 592; Norway, 175, 223; Peru, 176; Sweden, 175, 223

Aircraft, convention (1948) on international recognition of rights in, 403, 518

Aircraft carrier Bellean Wood, agreement with France amending agreement relating to loan of, 475

International earriage by air, protocol and 1929 convention for unification of certain rules relating to, 175, 223

Manila Air Station, agreement with Philippines relating to, 404

Babcock, James O., 984

Baghdad Pact:

Developments in, excerpt from President's report to Congress, 84

Ministerial Council, meeting of, texts of declaration and communique, 272

Soviet views on, letter (Krushchev), 276

Balauce-of-payments:

IMF annual report on status of, statement (Robert Anderson), 795

Restrictions, question of removal of, address (Dillon), 745

U.S.-Lafin America, 1957 and 1st quarter of 1958, article (Lederer, Culbertson), 311

Balloons, U.S. meterological, Soviet complaint regarding flight over Soviet territory, texts of U.S. and Soviet notes, 504, 739

Bank for Reconstruction and Development. See International Bank

Banks, proposed establishment in less developed countries to aid economic development, address and statement: McIntosh, 1065; Smith, 1062

Barco, James W., 88, 754

Barrau Peláez, Manuel, 814

Barros Hurtado, César, 54

Baruch plan for control of atomic energy, 787, 998

Bases, U.S., overseas. See Military bases

Battle Act, embargo list revised, 392, 467

Bayer, Celal, 183

Beale, W. T. M., Jr., 713, 967

Becker, Loftus E., 416

Belgium:

Brussels World's Fair, 211

GATT, report on waiver under, 934

Ruanda-Urundi, administration as trust territory, 518, 614, 1029

Treaties, agreements, etc.:

Double taxation on income, convention supplementing 1948 convention with U.S. for avoidance of, 175

GATT, declaration, process verbal, and protocols amending, 296, 936, 984

ICA, statute, 223

Opium, protocol (1953) regulating production, trade, and use of, 518

Universal postal convention (1957), 403

Betl, John O., 1076

Belleau Wood, U.S. aircraft carrier, Ioan to France, 475

Bellrichard, Andrew A., 661

Benjamin Franklin Foundation for Berlin, 913

Berding, Andrew H., 55, 955

Berenson, Robert Lawrence, 716

D1! .. .

"Free city." Soviet proposal, U.S. views, address and statement: Department, 948; Murphy, 1045

Soviet proposal to relimquish responsibilities to East Germany:

Eisenhower-Dulles meeting on, 994

Four-power views, text of communique, 1041

Polish support of Soviet position, statement (Dulles), 952

U.S. views, address and statements; Dulles, 947, 948, 949, 950, 952, 953, 1041; Murphy, 1044, 1046

West Berlin:

Free University of Berlin, 10th anniversary of, message (Dulles), 822

IAEA, statute, application to, 134

Medical training center, U.S. participation in planing, 913

U.S. position on, statement (Dulles), 813

Berry, Lampton, 676

Bicycles, escape-clause relief held unnecessary on imports, of, 628

Board of Foreign Scholarships, appointments to, 913 Bolivia:

Ambassador to U.S., credentials, 814

Treaties, agreements, etc.:

Continental shelf, convention on, 782

Disputes, compulsary settlement of, optional protocol concerning, 782

Fishing and conservation of living resources of high seas, convention on, 782

High seas, convention on, 782

Territorial sea and contiguous zone, convention on, 782

Universal postal convention (1957), 403

U.S. Operations Mission to, appointment of director, 368

Bonbright, James C. II., 800

Bonhomme, Ernest, 1042

Bonin Islands, question of compensation for former inhabitants of, U.S.-Japan joint statement, 533 Boonstra, Clarence A., 331

Brant, Albert W., 401

1BRD loan, 663

Brazil:

Economic development program in Latin America, Brazilian proposals for, statement (Dulles), 951

ICA health center, success of, address (Smith), 382

Middle East situation, proposed summit meeting at U.N., letters supporting (Eisenhower, Kubitschek),

Treaties, agreements, etc.:

Agricultural surpluses, agreement amending 1956 agreement with U.S., 260

Air transport, agreement amending 1946 agreement with U.S., 1031

Atomic energy, civil uses of, agreement amending 1955 agreement with U.S., 175, 222

Austrian state treaty, 715

Cultural property, convention (1954) and protocol for protection in event of armed conflict, 759

Military mission, agreement with U.S. extending 1948 agreement, 1975

Universal postal convention (1957), 403

U.S.-Brazilian relations, 302, 303, 304, 309

Visit of Secretary Dulles, 111, 301

Western policy decisions, proposed larger Latin American representation in, statement (Dulles), 267

Breadth of territorial sea. See Territorial waters

British Cameroons, review of progress in, address and statement: Marian Anderson, 1028; Satterthwaite, 643

British Empire (see also United Kingdom), present status of, U.S. views, statement (Dulles), 738

Broadcasting. See Telecommunications

Brussels World's Fair, designation of President's personal representative to and report on U.S. exhibit, 211 Bulgaria:

Cultural property, protocol for protection in event of armed conflict, 1031

High seas, convention on, 891

Territorial sea and contiguous zone, convention on, 891 Universal postal convention (1957), 403

Bullis, Harry A., 493

Burma:

Hungarian question, views on, 1000

Treaties, agreements, etc.:

Military equipment, agreement with U.S. regarding sale of, 222

Purchase of Indian textiles, agreement with U.S. providing currency of India for, 592

Universal postal convention (1957), 403

U.S. aid, 86

Burns, Norman, 469

Burrill, Meredith F., 399

Byelorussian Soviet Socialist Republic (see also Soviet Union):

Continental shelf, convention on, 892

High seas, convention on, 848

Territorial sea and contiguous zone, convention on, 848 Universal postal convention (1957), 403 Calendar of international meetings, 38, 216, 397, 550, 700, $886\,$

Calhoun, John A., 592

Callao, Port of, IBRD loan to improve, 628

Cambodia:

GATT, decision to accede to, 933

Universal postal convention (1957), 403

Visit of Prime Minister to U.S., 577

Cambridge Research Center, U.S. Air Force, 504, 739

Cameron, Turner C., 549

Cameroons, British, review of progress in, address and statement: Marian Anderson, 1028; Satterthwaite, 643

Cameroun, French, progress toward independence, address and statement: Marian Anderson, 1028; Satter-thwaite, 643

Canada:

Arms traffic, U.S. license requirements on export and import, amended, 971

Canada House, inaugural ceremonies, remarks (Elbrick), 694

80th Canadian National Exhibition, U.S. participation, 393

IJC, U.S.-Canada, 466, 773

Joint Defense, Canada-U.S. Committee on, establishment and functions, agreement and joint statement (Eisenhower, Diefenbaker), 204, 208, 555

Nuclear test suspension, Geneva meetings on. See Geneva conference of experts and Geneva technical talks

Surprise attack, prevention of, Geneva meeting on. See Geneva technical talks

Treaties, agreements, etc.:

Aerial refueling facilities in Canada, agreement with U.S. relating to establishment, maintenance, and operation of, 87

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403, 636

U.S. Ambassador, appointment, 800

U.S.-Canadian relations, address and remarks: Dillon, 318; Dulles, 66, 765; Elbrick, 694

Visit of President Eisenhower, 204

Visit of Secretary Dulles, proposed, 105, 109

Western alliance, Canadian role in, statements (Dulles), 66

Canal Zone:

Bridge at Balboa, U.S. funds appropriated for building of 68

Working conditions in, U.S. legislation regarding and message (Eisenhower), 237

Capehart, Sen. Homer E., 549

Capital, private, investment abroad. See Investment of private capital abroad

CARE. See Cooperative for American Relief Everywhere Cargo, William I., 331, 725

Catudal, Honoré M., 1013, 1050

Censorship vs. Freedom of Ideas, address (Berding), 55

Central America (see also Inter-America, Latin America, Pan American, and individual countries), report to President on visit to, statement (Milton Eisenhower), 309

Central Intelligence Agency, history and operation of, remarks (Allen Dulles), 827

Ceylon:

DLF loans, 68, 156

Import restrictions, GATT consultations on and abolition of, 349, 931

Soviet-bloc aid, article (Wright), 922, 923

Treaties, agreements, etc.:

Agricultural commodities, agreements with U.S., 41, 223

Continental shelf, convention on, 848

Disputes, compulsory settlement of, optional protocol concerning, 848

Fishing and conservation of living resources of high seas, convention on, 848

High seas, convention on, 848

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

U.S. Ambassador, appointment, 676

University of Ceylon, U.S. aid for expansion, 430

Chagla, Mahomed Ali Currim, 1042

Chamoun, Camille, 181, 182, 184, 235

Charter of the United Nations. See United Nations Charter

Chemicals and allied products, U.K. lifts import restrictions on, 289

Chiang Kai-shek, 692, 721

Children's Fund, U.N., 732

Chile

Ambassador to U.S., credentials, 199

ICARE, 915, 1061

Treaties, agreements, etc.:

Continental shelf, convention on, 892

Educational exchange programs, agreement with U.S. amending 1955 agreement for financing, 636

Rawinsonde observation stations, establishment and operation of, agreement with U.S. extending 1957 agreement, 1031

Universal postal convention (1957), 403

U.N. building ln, proposed financing, statement (Hickenlooper) and text of General Assembly resolution, 982

China (see also China, Communist; and China, Republic of):

Cultural heritage, preservation of, address (Dulles), 993 Reunification of, U.S. views, statements (Dulles), 599, 603, 604

"Two Chinas" proposal, U.S. views, text of U.S. memorandum, 389, 390

China, Communist, (see also Communism and Soviet-bloc countries):

Aggression in:

Korea, address, statement, and report: Dulles, 525; Eisenhower, 481; Hickenlooper, 1021, 1023

Taiwan Straits. See Taiwan Straits

China, Communist-Continued

Ambassadorial talks with U.S. See Warsaw ambassadorial talks

Commune system, addresses; Berding, 958; Cumming, 942; Dulles, 866, 991, 993; Murphy, 908

Detention and release of U.S. citizens. See Warsaw ambassadorial talks

Economic offensive. See Less developed countries: Economic offensive

Impermanence of regime, statement (Dulles), 487

Korea, reunification of and withdrawal of forces from, proposals regarding. See Korea

Objectives in Asia, address (Cumming), 941, 942

Propaganda, address and statement: Berding, 957, 958; Dulles, 685

Refugees admitted to U.S., 497

The Sino-Soviet Economic Offensive in the Less Developed Countries, published, 31

Subversive activities in Far East, addresses: Dulles, 990, 991; Herter, 495, 496

Trade:

Far East, offensive in, 556

U.S. restrictions on, 562, 1051, 1054

Travel by U.S. newsmen to, statement (Dulles), 685

U.A.R. support of, statement (Dulles), 489

U.N. representation, question of, addresses and statements: Dulles, 563, 564, 992; Lodge, 585; Wilcox, 512

U.S. policy of nonrecognition:

Addresses, memorandum, and statement: Department, 385; Dulles, 563, 735, 991, 992

National Conneil of Churches position, 950

Soviet views, letter (Khrushchev), 343

China, Republic of:

Ambassador to U.S., credentials, 613

DLF loans, 238, 928, 929, 1012

National holiday, exchange of messages (Eisenhower, Chiang Kai-shek), 692

Renunciation of force principle (see also Warsaw ambassadorial talks), application to defense of, statement (Dulles), 770

Soviet position toward, address (Herter), 808

Taiwan Straits, Communist aggression in. Sce Taiwan Straits

Treaties, agreements, etc.:

Atomic energy, peaceful uses of, agreement with U.S. amending 1955 research reactor agreement, 1055, 1075

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

ICEM, convention, 296

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

U.N. membership, question of, address and statements: Dulles, 564; Lodge, 585

U.S. aid, 86, 576, 600

U.S. cultural relations with, article (Colligan), 113, 115

China, Republic of—Continued

U.S. policy toward (see also Taiwan Straits), 386, 721, 735

Chou En-lai, 688

Civil aviation. See Aviation

Civil Aviation Organization, International. See International Civil Aviation Organization

Civil service personnel, U.S., retention of rights for employees transferred to IAEA, Executive order, 394

Civilians, Geneva convention (1949) relative to protection in time of war, 555, 848, 1075

Civilians, U.S. See United States citizens

Claims:

Arab refugees, compensation problem of, U.S. efforts to solve, address (Ludlow), 778

Austrian war damage and restitution, legislation regarding, 619

Danish ships requisitioned in World War II, agreement with U.S. for settlement, 440

Germany, claims against:

External debts, German, agreement on, 518

General War Sequel Law, Federal Republic of Germany, 699

 ${\it German~assets~in~Portugal~and~claims~regarding~monetary~gold,~agreement~on, 936 }$

Property rights and interests in Germany, charter of Arbitral Commission on, 41, 983

Pacific Islands Trust Territory, progress in settlement of claims against U.S., statement (Nucker), 172

U.S. against Soviet Union, Navy Neptune plane case submitted to ICJ, 420, 698

Clark, William D., 733

Claxton, Philander P., Jr., 760

Clock, Philip, 223

Coal, Federal Republic of Germany restrictions on imports, U.S. discussions on, 578

Coffee, Latin American, marketing problems, address (Rubottom) and U.S.-Brazil joint communique, 302, 655, 656

Coggeshall, Lowell T., 839

"Cold war," evaluation of U.S. and Soviet actions and successes in address (Berding), 955

Cole, James E., 661

Collective security (see also Mutual defense and Mutual security):

Europe. See European security and North Atlantic Treaty Organization

Latin America. See Organization of American States Near and Middle East. See Baghdad Pact and League of Arab States

Pacific area. See ANZUS Council and Southeast Asia Treaty Organization

Regional arrangements:

Deterrent to Communist aggression, addresses: Cargo, 728; Dulles, 241, 989, 991; Wilcox, 27

U.S. participation, President's message and report to Congress, excerpts, 83

Soviet rejection, address and statement: Dulles, 374; Lodge, 973

U.N. authorization and role, addresses: Cargo, 729; Dulles, 571; Eisenhower, 337; Wilcox, 996 Collective security—Continued

U.S. policy, address and statement: Lodge, 973; Murphy, 141

Colligan, Francis J., 112

Colombia:

Treaties, agreements, etc.:

Agricultural commodities, agreements with U.S., 331, 1031

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

U.S.-Colombia relations, letters (Eisenhower, Lleras Camargo), 30

Colombo Plan:

Consultative Committee, 10th annual meeting:

Announcement of, and U.S. delegations to, \$46

Ministerial meeting, remarks and statement: Dillon, 858; Dulles, 857; Eisenhower, 853

Final communique and extract from annual report, 860

Economic development program, comparison with Communist program, statement (Dulles), 951

Objectives, addresses: Dillon, 872; Dulles, 865

Private foreign investment in countries of, views on, statement (Smith), 1063

U.S. support, address (Dulles), 562

Colonialism:

Communist policy and objectives, addresses (Dulles), 898, 990

U.S. policy, address (Satterthwaite), 642

Columbus Day, 1958, 688

Commerce, Department of:

Announcement of changes in U.S. export controls, 392 Preparation of recommendations to expand private investment abroad, address (Dillon), 873

Commercial treaties and agreements (*see also* Trade agreements), provisions for protection of private foreign investment, address and statement: Beale, 967; Dillion, 1058

Committee for Reciprocity Information, 349, 1019

Commodity Arrangements, International, Interim Coordination Committee for, recommendation for meeting on lead and zinc problem, 847

Commodity Trade, International, Commission on, 358, 360 Commodity trade problems, international:

Addresses, articles, and statement: Catudal, 1053; Dillon, 743, 921; Phillips, 358; Wright, 927

GATT contracting parties' views, U.S. delegation report, 934

Communes, Chinese Communist, addresses: Berding, 958; Cumming, 942; Dulles, 866, 991, 993; Murphy, 908

Communications. See Telecommunications

Communism (see also China, Communist; Propaganda; and Soviet Union);

 $\begin{array}{lll} \textbf{Africa, subversive activities in, address (Satterthwaite), 645} \\ \end{array}$

Communism—Continued

Communist Party activities in U.S., address (Herter), 806

International communism:

Challenge and threat of, addresses, announcement, remarks, and statements: ANZUS Council, 612; Dulles, 5, 61, 733, 767, 900; Spaak, 609, 960; U.S.-Japanese joint statement, 533

Evolutionary trend away from, statements (Dulles), 734, 768

Goal of, statement (Eisenhower), 103

Indirect aggression. See Aggression

Newly independent nations, policy for, address (Dulles), 898, 900

Strategy, address and statement: Dulles, 949; Murphy, 1043, 1047

U.S. and free-world efforts to combat, addresses: Dulles, 4, 989; Smith, 380

Vulnerability of, addresses: Berding, 957; Dulles, 901, 993, 994

Investment of private capital abroad, Communist opposition to, statement (Smith), 1063

Promises of Communists, dependability of, statement (Dulles), 602

Subversive activities, addresses: Dulles, 991, 992; Kohler, 154

Supporters of, need for U.S. legislation to deny passports to, address, letter, message, and statement: Dulles, 110, 250; Eisenhower, 250; Murphy, 251; O'Connor, 880

Conferences and organizations, international (see also subject), calendar of meetings, 38, 216, 397, 550, 700, 886

Congress, U.S.:

Documents relating to foreign policy, lists of, 38, 80, 164, 249, 327, 368, 396, 440, 518, 549, 699, 782, 929, 1019

Election campaign, question of injecting foreign policy into, statements (Dulles), 683, 686

1CJ. Senate decision on domestic-jurisdiction reservations to, address (Rogers), 538

Joint sessions, addresses before:

President of Philippines, 121

Prime Minister of: Afghanistan, 129; Ghana, 284; 1taly, 287

Legislation:

Appropriation of funds for:

Mutual security program, 1959, correspondence and statements; Dillon, 243; Dulles, 104, 107, 239; Eisenhower, 103, 547

Panama Canal Zone bridge, 68

Commission on International Rules of Judicial Procedure, establishment of, address (Rogers), 537

EURATOM Cooperation Act of 1958, statements: Dillon, 247; Eisenhower, 415

Mutual Security Act, 1954, section 413(c) as amended, 716

National Aeronautics and Space Act of 1958, statement on signing (Eisenhower), 327

Panama Canal Zone, working conditions in, 237

Congress, U.S.—Continued

Legislation—Continued

Trade agreements program, extension of, articles, letters, and statements: Catudal, 1013, 1050; Dulles, 34; Eisenhower, 132, 396; Kallis, 542; Mills, 132

Treated seed wheat, veto of bill increasing duty on imports, message (Eisenhower), 395

Legislation, proposed:

Mntual security program, appropriations for, statements (Dulles), 811

Passports, control and issuance of, address, letter, message, and statements: Dulles, 110, 250; Eisenhower, 250; Murphy, 251; O'Connor, 880

Outer space, peaceful uses of, bipartisan Congressional support for proposed U.S. resolution in U.N., statement (Johnson), 977, 978

Presidential messages, reports, etc. Sec Eisenhower: Messages, reports, and letters to Congress

Role in developing foreign policy, statements (Dulles), 66, 813

Taiwan Straits situation, U.S. position, congressional support of, address and statement: Dulles, 486; Maurer, 1008

U.N. permanent emergency force, resolution proposing establishment of, Department views, statement (Wilcox), 324

Conservation of living resources of the high seas, convention on, 554, 675, 782, 848, 891

Consular service, U.S. See Foreign Service

Consultative Committee on Cooperative Economic Development in South and Southeast Asia. See Colombo Plan

Continental shelf, convention on, 554, 675, 782, 848, 892 Cooper, Howard W_0 , 329

Cooperative for American Relief Everywhere, 514, 659 Copyright convention (1952), universal, and protocols 1, 2, and 3, 936, 983

Correspondents, U.S.:

In Soviet Union, censorship of, address (Berding), 57 Travel to Communist China, question of issuing passports for, statement (Dulles), 685

Costa Rica:

Ambassador to U.S., credentials, 199

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554 Universal postal convention (1957), 403

Cotton, long-staple, modification of import quota on, announcement and proclamation, 214

Council of Permanent Representatives, NATO, functions, address (Dulles), 572

Cuba:

Arms shipment to, alleged, U.S. denial of, 153

Detention of U.S. eitizens, statements (Dulles), 104, 109, 110

GATT, tariff renegotiations, 13th session of contracting parties, discussion, 932 Cuba—Continued

Guantanamo Naval Base water installations, withdrawal of U.S. Marine guard, 282

Products of, application of U.S. trade agreements legislation to, article (Catudal), 1017, 1018

Treaties, agreements, etc.:

Atomic energy, civil uses of, agreement with U.S. superseding 1956 agreement, 505, 518

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Shrimp conservation, convention with U.S. regarding, 440

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

U.S. intervention in, alleged, statement (Dulles), 111 Culbertson, Nancy F., 311

Cultural, technical, and educational fields, agreement with Soviet Union for exchanges in. See Exchange agreement

Cultural property, convention (1954) and protocol for protection in event of armed conflict, and regulations of execution, 759, 1031

Cultural relations:

Chinese culture, U.S. policy to preserve, address (Dulles), 993

Soviet proposal for agreement with U.S. and European states, text of draft treaty, 466

Western impact on Asian culture, address (Cumming), 942, 943, 944

Cultural relations, U.S.:

Afghanistan, agreement with, 87, 128

Development of U.S. program of, article (Colligan), 112

Latin America, statement (Dulles), 10

Soviet Union:

Address (Rabb), 888

Exchange agreement of 1958, agreements and exchanges under and progress report on, 289, 390, 391, 577, 696

Spain, address (John Lodge), 963, 964

20th anniversary of U.S. cultural exchange program, 291

Cumming, Hugh S., Jr., 941

Customs (See also Tariff policy, U.S.):

Customs courts, right to appeal to reestablished, 1054 Customs privileges, reciprocal, for Foreign Service per-

sonnel, agreement with El Salvador, 41

Haiti, agreement with U.S. for duty-free entry of relief supplies and packages, 555
 Private road vehicles, convention (1954) on temporary

importation of, 331, 591, 848, 936
Touring, convention (1954) concerning facilities for,

223, 331, 591, 847, 936

Czechoslovakia:

Detention of U.S. citizens for border violations, U.S. requests release, texts of U.S. and Czechoslovak notes, 660

Czechoslovakia-Continued

Nuclear test suspension, Geneva meetings on. See Geneva conference of experts and Geneva meeting to negotiate

Summit meeting, proposed:

Czechosłovak attendance at, Soviet proposal, 22

Exchange of views on holding, texts of U.S. note and Czechoslovak memorandum, 539

Treaties, agreements, etc.:

Continental shelf, convention on, 892

High seas, convention on, 848

Territorial sea and contiguous zone, convention on,

Universal postal convention (1957), 403

Dale, William N., 260

Daud, Sardar Mohammad, 127

Debts, German external, agreement on, 518

Defense. See Mutual defense and National defense

Defense and Civilian Mobilization, Office of, duties under national security provision of trade agreements leg-

Defense support program:

Aid to Turkey, 323

istation, 544

Appropriations for, 85, 242

De Gautle, Gen. Charles, 271, 276, 612, 814, 1012

Denmark:

Ambassador to U.S., credentials, 815

Treaties, agreements, etc.:

Air transport services, agreements amending 1944 agreement with U.S., 174, 223

Atomic energy, civil uses of, amendments to 1955 research reactor agreement with U.S., 54, 87, 518

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of fiving resources of high seas, convention on, 554

GATT, declaration extending standstill provisions of article XVI, 984

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

High seas, convention on, 554

Ships requisitioned by U.S. during World War II, agreement with U.S. for settlement of claims, 440, 474

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403, 636

Department of State. See State Department

Desai, Morarji R., 535

Development Advisory Board, International, 493

Development association, international, proposed establishment, addresses, letters, remarks, and statements: Anderson, 415, 794; Beale, 968; Dillon, 797, 798, 859, 871, 919; Dufles, 528; Eisenhower, 413, 856; Phillips, 707

Development institutions, regional, proposed:

Arab states. See under Arab states

Inter-American:

Foreign ministers meeting, text of communique, 576 Remarks and statements: Dillon, 347, 871, 918, 920; Dultes, 951

Development institutions—Continued

U.S. support, address, article, and statement:

Beate, 968; McIntosh, 1065; Wright, 927

Development Loan Fund:

Appropriation for, proposed legislation, statements: Dillon, 243; Dulles, 242

Deputy Managing Director, appointment, 134

Establishment and functions, addresses, article, remarks, report, and statement: Dillon, 859, 870, 871; Dulles, 561, 562; Eisenhower, 81, 82, 84, 86, 87, 855, 856; Murphy, 907, 908; Reinhardt, 516; Wright, 926, 927

Guaranties collectibility of private development loans, announcement, 1012

Loan application questions, listed, 1062

Loans in: Ceylon, 68, 156; China, Republic of, 238, 928, 929; Greece, 69; India, 67, 535; Iran, 154; Malaya, 290; Pakistan, 156; Paraguay, 156, 774; Philippines,

121; Turkey, 534

Private investment abroad, promotion of and assistance to, remarks and statement: Beale, 968, McIntosh, 1064

Use of Turkish currency repayments, agreement, 592 Diefenbaker, John, 204, 208

Dillon, Douglas:

Addresses, remarks, and statements:

Economic development, 796, 858

EURATOM, proposed legislation regarding U.S. program with, 247

Inter-American development institution, proposed establishment, 347

International trade, problems affecting, 742

Latin America, economic development in, 918

Mutual security program for fiscal year 1959, 243

Private foreign investment, U.S., expansion and protection of, 1056

Soviet economic offensive, 31, 817, 869

U.S. foreign economic policy, 318

Appointments:

Ministerial representative to 13th session of GATT, 713

U.S. representative to OAS special committee, 713

Under Secretary of State for Economic Affairs, 111 Trip to study mutual security program operations, 532

Diplomatic representatives abroad, U.S. See under Foreign Service

Diplomatic representatives in the U.S., presentation of eredentials: Argentina, 54; Bolivia, 814; Chile, 199; China, Republic of, 613; Costa Rica, 199; Denmark, 815; Ethiopia, 613; Finland, 653; Greece, 815; Guatemala, 10; Haiti, 1042; India, 1042; Jordan, 904; Libya, 54; Luxembourg, 815; Nepal, 767; Paraguay, 277; Sweden, 199; United Arab Republic, 346; Venezuela, 346; Yugoslavia, 767

Disarmament (sec also Armaments; Armed forces, and Disarmament Commission, U.N.):

Nuclear weapons. See Atomic energy, nuclear weapons Outer space, international control for peaceful uses only, proposal. See Outer space.

Progress and prospects for, address and statement (Dulles), 810, 903

Disarmament-Continued

U.N. consideration of problem of:

Address, letter, and statements: Barco, 754; Cargo, 729; Eisenhower, 218; Lodge, 666, 747, 751, 752, 753, 837

Text of resolution, 839

U.S. and Soviet positions, addresses, correspondence and statements: Dulles, 527; Eisenhower, 378; Hickenlooper, 783; Khrushchev, 97, 100; Lodge, 788, 789; Murphy, 142, 874, 1047; Soviet note, 463, 464, 465, 466; Wilcox, 509, 997

Use of savings for economic development, statement (Phillips), 705

Western position, text of U.S.-U.K.-French memorandum, 13, 16

Disarmament, The Intensified Effort, 1955-1958, published, 331

Disarmament Commission, U.N.:

Membership question, statements (Lodge) and text of General Assembly resolution, 837

Soviet obstruction to progress in address and statement: Lodge, 747; Murphy, 875

Disputes, pacific settlement of:

NATO procedures for, address (Dulles), 573

1907 convention for pacific settlement, 636

Optional protocol concerning compulsory settlement, 555, 782, 848, 892, 984

U.N. achievements, address (Cargo), 731

DLF. Sec Development Loan Fund

Doerfer, John C., 634

Dominican Republic:

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocot concerning, 555

Disputes, international, 1907 convention for pacific settlement of, 636

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Laws and customs of war on land, 1907 convention respecting, and annex, 592

Narcotic drugs, protocol bringing under international control drugs outside scope of 1931 convention concerning, 134

Opium, 1953 protocol regulating production, trade, and use of, 134

Salvage at sea, convention for unification of certain rules with respect to, $555\,$

Territoriat sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

Double taxation on income:

Agreements and conventions for avoidance of, with: Belgium, 175; Norway, 176, 222; Pakistan, 176; United Kingdom, 176, 759, 760, 782

Treaties to avoid, incentive for investment of private capital abroad, remarks, and statements: Beate, 967; Dillon, 920, 1058; Smith, 1061

Drake, Russell P., 223

Draper Committee, study of military and economic programs, 547, 950, 954

Draper, William H., Jr., 954

Drugs, narcotic:

Opium, protocol (1953) regulating the production, trade, and use of, 134, 518

Opium and other drugs, convention (1912) relating to suppression of abuse of, as amended, 175, 260

Protocol (1948) bringing under international control drugs outside the scope of 1931 convention, 134

Dual nationality, 1930 protocol relating to military obligations in cases of, 403

Dulles, Allen W., 827

Dulles, John Foster:

Addresses, remarks, and statements:

Afghanistan, cultural agreement with, 129

Aggression, indirect, definition and Communist use of, 265, 266, 268, 269, 271, 307

American Foreign Ministers meeting, 104, 486, 601

Arab nationalism, U.S. position, 269

Arab States, Pact of the League of, 410, 411, 686 Asian economic development programs, 951

Aswan Dam, 770, 773

Berlin, U.S. policy. See Berlin

Brazit, U.S. relations with, 302, 303, 304, 309

British Empire, present status, 738

Canada, U.S. relations with, 66, 109, 765

China, Communist:

Aggression in Taiwan Straits. See under Taiwan Straits

Announcement of troop withdrawal from Korea, 772

Impermanence of rule, 487

New tactics of, 685

U.S. policy of nonrecognition, 735, 950

China, Republic of:

Mainland, question of return to, 599, 603

Position on use of force by, 770

U.S. policy (see also Taiwan Straits), 722, 735, 736 Colombo Plan, benefits of, 857

Communist tactics, U.S. efforts to combat, 602, 733, 734, 768, 949

Congressional election campaign, question of injecting foreign policy into, 683, 687

Consultations between U.S.-U.K.-France, question of, 814

Cuba, alleged U.S. intervention in, 111

Detention and release of U.S. citizens by foreign governments, 104, 106, 108, 109, 110

Disarmament, 331, 527, 734, 810, 903

Draper Committee, 950

Economic development, 647, 865

European free trade area, importance of tariff policy, \$13

European security, question of negotiating with Soviets on, 949

Far East, U.S. policy for, 487, 490, 491, 561, 989

Foreign policy, U.S., 486, 733, 813, 897, 989

French attendance at summit conference on Middle East, question of, 271

German reunification, 812, 949

Hungarian patriots, Soviet responsibility for execution of, 6

Dulles, John Foster-Continued

Addresses, remarks, and statements—Continued

Interdependence, role of English-speaking peoples in development of, 738

Italy, relations with NATO and Arab states, 949

Iraq, recognition of government, effect in Lebanon and Jordan, 270

Japan, question of revision of security treaty, 487 Latin America:

Cultural exchange with, 10

Economic development, Brazilian proposal, 951 Foreign Ministers meeting, 104, 486, 601

Lead and zine import quotas, 597

Lebanon, U.S. position on situation in. Sec Middle East situation

Liaison between NATO and OAS, question of, 771 Marshall plan, 3

Mexico, U.S. relations with, 994

Middle East (see also under Middle East situation), 240, 737

Mutual security program:

Accomplishments and importance, 3 Appropriations for, 104, 107, 239, 811

NATO:

Canadian role, 66

Interdependence in action, 571

Ministerial meeting, departure for, 1040

Nonquota visas for fugitives from Communist areas in Middle East, issuance of, 107

Nuclear weapons tests, suspension of. See Afomic energy, nuclear weapons; Geneva conference of experts; and Geneva meeting to negotiate

Onter space, problem of, 528, 868, 898, 900

Passports, proposed legislation regarding, 7, 110

Peace, 373, 525

Progress and Human Dignity, 865

SEATO, 4th anniversary, 447

Soviet Union:

Arctic inspection proposal, rejection of, 734, 766

Berlin proposals. Sce Berlin

Collective security views, 573

Defention of U.S. airmen, 110

Exchange of information with, 107

Loan to U.A.R. for Aswan Dam, 770

Negotiating with, 951

Nuclear tests, position on suspension, 768, 771, 952 System, evolution of, 768

Spaak address regarding Communist challenge, 597 Strategic shipments to Soviet-bloc countries, question of, 111

Sudanese change of government, appraisal of, 952 Summit meeting, proposed, negotiations regarding, 6, 8, 240

Surprise attack, prevention of. See Geneva technical falks and Surprise attack

Taiwan Straits situation, Communist aggression in, and U.S. policy. See under Taiwan Straits

Trade Agreements Act, extension of, 34

U.A.R. foreign policy, question of Communist influence, 952

U.S.-Canadian export policies, 204, 209

Dulles, John Foster—Continued

Addresses, remarks, and statements—Continued

U.S. economic aid programs, 736

UNESCO 10th session of General Conference, swearing-in of U.S. delegation, 552

Warsaw ambassadorial talks, U.S.-Communist China, 106, 109, 488, 492, 598, 599, 600

Western policy decisions, Brazilian proposal for larger Latin American representation, 267

Western hemisphere, unity of, 304, 305, 306

Correspondence and messages:

Atomic energy for mutual defense purposes, agreement with U.K. regarding, 158

Free University of Berlin, 10th anniversary of founding, 822

Korea, Republic of, 10th anniversary of independence, 346

Pan African conference, message to Prime Minister Nkrumah, 642

Passport legislation, proposed, 250

Inauguration of FSI senior officer course, 675

Interviews and meetings:

American Foreign Ministers meeting, 574

ANZUS Council meeting, 612

Baghdad Pact ministerial meeting, 237, 272, 281n

British TV broadcast, transcript of interview by William D. Clark, 733

Canadian TV broadcast, transcript of interview by Edgar McInnis, 61

Chancellor Konrad Adenauer, meeting to exchange views on world situation, 237, 281

Japanese Foreign Minister, 447, 532

NATO ministerial meeting, 1040, 1041

President Chiang Kai-shek, 721

President Eisenhower, meeting on world problems, 994

Prime Minister of Cambodia, 577

Thai National Assemblymen, 693

News conferences, 6, 104, 265, 485, 597, 681, 809, 947 Visit to Brazil, 111, 301

Visit to Canada, proposed, 105, 109

East-West contacts (see also Cultural relations and Exchange of information):

Development of, U.S.-U.K.-French reply to Soviet proposal, text of memoranda, 15, 16, 21

U.S.-Soviet Union. See Exchange agreement

East-West trade:

Expansion of U.S. and Soviet trade, letters and statement: Dulles, 8; Eisenhower, Khrushchev, 20, 200

Restrictions on, relaxation of, stafement (Dulles), 111 Soviet use of frade with Wesf, address (Dillon), 818

U.S. legislative restrictions on, 392, 467, 1051, 1054 ECAFE. See Economic Commission for Asia and the Far

East

ECE. See Economic Commission for Europe Economic and Social Council, U.N.:

Documents, lists of, 330, 403, 673, 1030, 1075

Economic commissions. See Economic commissions

26th session, statements (Kotschnig, Phillips), 351, 357, 358, 360 Economic and social programs and progress, U.N., address and statement: Cargo, 732; Kotschnig, 360

Economic and technical aid to foreign countries (see also Agricultural surpluses, Colombo Plan, Development Loan Fund, Export-Import Bank, International Bank, International Cooperation Administration, Mutual security and other assistance programs, and United Nations: Technical assistance program):

Addresses, article, remarks, and statements: Dillon, 859, 948, 920, 1057; Dulles, 241, 736; Eisenhower, 854; Murphy, 907; Reinhardt, 514; Wilcox, 1,000; Wright, 922

Aid to: Africa, 646, 647; Brazil, 305; Ecuador, 87; Ghana, 283; India, 493, 516, 535, 545; Morocco, 41; Spain, 964, 965; Sudan, 440; Tunisia, 156, 760; Turkey, 322, 533; Yugoslavia, 555, 984

Sino-Soviet block program. See Less developed countries: Economic offensive

U.S. program, Draper Committee to study, 547, 950, 954 Economic Commission for Africa, U.N., created, 646

Economic Commission for Asia and the Far East, U.N., U.S. delegate to Working Party on Economic Development and Planning, designation, 474

Economic Commission for Europe, U.N.:

Electric Power Committee, designation of U.S. delegate to meetings of, 329

Timber Committee, 16th session, designation of U.S. delegate to , 517

Economic Cooperation, European, Organization for, 323 Economic development (see also Economic and technical aid):

Africa, address (Satterthwaite), 646, 647

Arab states, planning economic development in, address (Burns), 469

Asia (see also Colombo Plan), addresses and remarks: Cumming, 946; Dulles, 561; Parsons, 566, 570

Brazil, address (Dulles) and text of U.S.-Brazil joint communique, 302, 305

Financing of (see also Agricultural surpluses, Development Loan Fund, Export-Import Bank, International Bank, International Monetary Fund, Investment of private capital abroad, and Special Fund), address (Dillon), 318

Free world and Communist methods, comparison of, address (Dulles), 306, 865

Ghana, joint statement (Eisenhower, Nkrumah), 283 Institutions for. Sec Development association and Development institutions

Latin America:

Addresses, remarks, and statements: Dillon, 918; Dulles, 951; Herter, 914, 915, 916; Murphy, 908; Rubottom, 655

Foreign Ministers meeting, text of communique, 575 Management as a factor in, address (Herter), 914

Philippine progress, address and joint statement (Eisenhower, Garcià), 121, 124

Relationship to peace, remarks (Murphy), 740

Spain, address (John Lodge), 964, 965

U.S. proposals for furthering, addresses, remarks, and statements: Dillon, 797, 858; Dulles, 527, 951; Eisenhower, 341, 854; Satterthwaite, 647 Economic policy and relations, U.S.:

Aid to foreign countries. See Agricultural surpluses, Development Loan Fund, Economic and Icchnical aid, Export-Import Bank, and Mutual security

Domestic economy, address and statement: Dillon, 742; Phillips, 353, 355

East-West trade. See East-West trade

Foreign economic policy:

Addresses, article, and letter: Dillon, 318; Eisenhower, 412; Murphy, 905; Wright, 922

Economic development abroad, proposals for furthering. Sec Economic development.

Soviet economic offensive, policy to combat. Sce Less developed countries: Economic offensive

Regional meeting of U.S. economic officers in Europe to discuss, 688

Tariff policy. See Tariff policy

Economic situation, world, review of, statement (Phillips), 351

ECOSOC. See Economic and Social Council, U.N.

Ecuador:

ICA loan for 11th inter-American conference, 68

Reathrmation of friendship with U.S., letter (Ponce Enriquez), 200

Treaties, agreements, etc.:

Agricultural commodities, agreement with U.S., with memorandums of understanding, 175

Aircraft, convention (1948) on international recognition of rights in, 403

Continental shelf, convention on, 892

Financial assistance, agreement with U.S., 87

Universal postal convention (1957), 403

Edmund A. Walsh School of Foreign Service, Georgetown University, dedication ceremonies, remarks (Eisenhower, Murphy), 689

Education (see also Educational exchange):

American-sponsored schools, libraries, and community centers, use of foreign currencies to support, 435

Arab states, need for engineering and technical educafion, address (Burns), 472

Ceylon, U.S. aid, 430

Foreign Service, academic training for, remarks (Eisenhower, Murphy), 689

IAEA programs, U.S. proposed and support, remarks (McCone), 670, 671

ICA programs, addresses: Herter, 915; Smith, 1063

Soviet challenge to U.S. education, addresses: Cargo, 727; Murphy, 907; Wilcox, 24

UNESCO programs, U.S. suggestions and support, 402, \$90

UNWRA program for Arab refugees, address (Ludlow), 777

Educational, Scientific and Cultural Organization, U.N.: The Challenge to UNESCO, address (Rabb), 888 Constitution, 296

Director General, meeting with interdepartmental group, 259

10th general conference, U.S. delegation and alternate representative to, 401, 552, 792

Educational Exchange, Advisory Commission on, 422

Educational exchange program, international ($sec\ also\$ Education):

Advisory Commission on, appointment to, 422

Educational exchange program—Continued

Agreements with: Chile, 636; Spain, 715, 760, 963; Thailand, 592; U.K., 591, 592

Board of Foreign Scholarships, appointments to, 913

Financing of, use of foreign currencies for, 434

History of, article (Colligan), 115

Latin America, U.S. increase in program for, address (Rubottom), 655

Soviet Union. See Exchange agreement

Egypt (see also United Arab Republic):

CARE distribution of surplus U.S. agricultural products, address (Reinhardt), 515

Soviet-bloe economic offensive in, 32, 922

Universal postal convention (1957), 403

Eisenhower, Dwight D.:

Addresses, remarks, and statements:

Afghan-U.S. relations, joint statement with Prime Minister Daud, 127

American principles, 657

Arab development institution, proposed, 473

Canadian-U.S. relations, 204, 208, 209

Columbus Day, 1958, 688

Disarmament, 208

Economic development, U.S. proposals to assist, 853

EURATOM Cooperation Act of 1958, approval of, 415

Foreign Service School, Georgetown University, dedication ceremonies, 689

Free-world cooperation and America's security, 103

Ghanaian-U.S. relations, joint statement with Prime Minister Nkrumah. 283

Italian-U.S. relations, joint statement with Prime Minister Fanfani, 287

Lebanon, dispatch of U.S. troops to, 181, 184

Middle East situation:

General Assembly session to consider, proposed,

U.S. program for settlement, 337

National Aeronautics and Space Act of 1958, 327

Nuclear weapons tests, U.S. offer to negotiate agreement for suspension of, 378, 723

Philippine-U.S. relations, joint statement with President García, 120, 125

SEATO, 4th anniversary, 447

Soviet economic offensive, 383

Soviet nuclear tests, U.S. position on, 810

Trade agreements program, reciprocal, approval of extension, 396

U.S. exhibit at 2d International Conference on the Peaceful Uses of Atomic Energy, opening, 493

Administration and authority for trade agreements program, 542, 1013, 1050

Correspondence and messages:

Atomic energy for mutual defense purposes, agreement with U.K., 160

Brazilian-U.S. relations and visit of Secretary Dulles to Brazil, 303

China, Republic of, national holiday, 692

Colombian-U.S. friendship, reaffirmation, 30

General De Gaulle, congratulations to, 612

Geneva conference of technical experts, 48, 149, 236 Guinea, Republic of, U.S. recognition, 966

Eisenhower, Dwight D.—Continued

Correspondence and messages-Continued

IBRD and IMF, proposed increase in resources, 412, 793

Lebauon, U.S. assistance to, 183, 235

Middle East situation, proposed heads of government conference in Security Council for settlement of, 229, 274, 281, 369

Military assistance program, appointment of Draper Committee to study, 954

Mutual security program, views on, 546

Panama, equal working conditions in Canal Zone, approval of legislation regarding, 237

Pan-American cooperation, 209

President Heuss of Germany, visit to U.S., 22

President Lopez Mateos of Mexico, greetiugs, 1012

Summit meeting, proposed, Western position on, 95

Taiwan Straits situation, 498, 605

U.S.-Soviet trade, proposed expansion of, 200

UNESCO, 10th general conference, 888

United Nations, U.S. support of, 448

Executive orders. See Executive orders Meetings:

Prime Minister Harold Maemillan, 23

Secretary Dulles to discuss world problems, 994

Messages, reports, and letters to Congress:

Agricultural Trade Development and Assistance Act, 8th semiannual report (Jan. 1-June 30, 1958), 423

Atomic energy for mutual defense purposes, agreement with U.K., 157

Lead and zine, imposition of import quotas on, 579

Lebanon, dispatch of U.S. troops to, 182

Mutual security program, 13th semiannual report, excerpts, 91

Nuclear power program, joint U.S.-EURATOM, recommended, 70, 72

Passport legislation, proposed, 250

Trade agreements legislation, proposed, 132

Treated seed wheat, veto of bill increasing duty on imports, 395

Umbrella frames, decision against proposed increase in import duty, 627

United Nations, 12th annual report on U.S. participation in, 218

Proclamation. See Proclamations

TV-radio broadcast to Nation on Taiwan Straits situation, 481

Visit to Canada, 204

Eisenhower, Milton S., 309

El-Kekhia, Mansour Fethi, 54

El Salvador:

President, proposed visit to U.S., 822

Treaties, agreements, etc.

Aircraft, convention on international recognition of rights in, 518

Customs privileges for Foreign Service personnel, reciprocal, agreement with U.S. relating to, 41

Private road vehicles, customs convention (1954) on temporary importation, 936

Tonring, convention (1954) concerning eustoms facilities for, 223

Universal postal convention (1957), 403

Elbrick, C. Burke, 611, 694, 800

Elections:

Korea, proposed for reunification of:

Department announcement, statement (Hicken-looper), and U.K. note, 152, 1020

General Assembly resolution, 1025

Togoland, statement (Anderson) and General Assembly resolution, 107-l

Electric Power Committee (ECE), designation of U.S. delegate to meetings of, 329

Ellsworth Station, Antarctica, U.S. and Argentine cooperation in scientific work at, text of joint announcement, 210

Emergency Force, U.N., for the Middle East, 220, 325, 326 Escalante Durán, Manuel G., 199

"Escape-clause" provisions of trade agreements legislation, 543, 1052

Ethiopia:

Ambassador to U.S., credentials, 613

Universal postal convention (1957), 403

Visit of U.S.-U.K. scientific panel, 782

EURATOM. See European Atomic Energy Community Europe (see also individual countries):

Collective security. See European security and North Atlantic Treaty Organization

Common market. See European Economic Community Eastern Europe:

Easing tension in, Western memorandum and letter (Khrushchev), 16, 17, 98

Nuclear-free zone in, Polish proposal, letter (Khru-shchev), 97, 99

Soviet views regarding, 343

Economic cooperation and development in Western Europe (see also European Atomic Energy Community; European Economic Community; European Economic Cooperation, Organization for; and European free-trade area), efforts for, addresses: Dulles, 572; Herter, 497

Inspection zones to prevent surprise attack in, U.S. views on Soviet proposal, text of note, 279

Refugees. See Refugees and Intergovernmental Committee for European Migration

Soviet proposal for treaty of friendship and cooperation with U.S. and European states, texts of U.S. and Soviet notes, 462

U.N. Economic Commission for, 329, 517

U.S. diplomatic officers in, meetings of, 611, 688 Unity:

EURATOM influence, statement (Dillon), 248 Italian contribution, address (Zellerbach), 959

European Atomic Energy Community:

Agreement for joint program with U.S. for advancement of peaceful applications of atomic energy:

President Eisenhower's recommendation to Congress, announcement and message to Congress, 70

Joint Committee on Atomic Energy, hearings, statement (Dillon), 247

EURATOM Cooperation Act of 1958, approval of, statement (Eisenhower), 415

Texts of agreement and memorandum of understanding and current actions, 41, 74, 475 European Atomic Energy Community—Continued

Agreement for cooperation in civil uses of atomic energy with U.S., 830, 892

European Common Market, See European Economic Community

European Economic Community:

Relationship to GATT, 745, 931, 932

U.S. position, statement (Dulles), 36

European Economic Cooperation, Organization for, aid to Turkey, 323

European free-trade area, proposed:

Contracting Parties to GATT views, 931, 932

U.S. position, statement (Dulles), 813

European Migration, Intergovernmental Committee for, meetings of Executive Committee and Council of, article (Warren), 255

European security (see also Berlin; Germany: Reunification; and North Atlantic Treaty Organization):

Question of reopening negotiations with Soviet Union on, statement (Dulles), 949

Soviet position, letter (Khrushchev), 99

U.S.-U.K.-French position, memorandum, 14, 15, 16

Evans, Luther H., 259, 402

Exchange agreement, U.S.-Soviet, in cultural, technical, and educational fields:

Announcements and agreements on exchanges of: Films, 289, 696

National exhibits, 577, 696

Radio-TV specialists, U.S. delegation to Soviet Union, 740

Science educators, Soviet, visit to U.S., 910

U.S. progress report on, 390

Exchange of information:

Hungarian obstruction to, 912

Soviet opposition to, address (Berding), 55

U.S. program, development of, article (Colligan), 114 U.S.-Soviet exchange:

Agreement for. See Exchange agreement

Distribution of press releases, U.S. requests reciprocity, announcement and U.S. note, 321

Question of increasing, statements (Dulles), 107 UNESCO objective, address (Rabb), 891

Exchange of persons (see also Cultural relations, East-West contacts, and Educational exchange):

Soviet Union. See Exchange agreement

Thai National Assemblymen, visit to U.S., 693

Executive orders:

Civil-service rights of personnel transferred to IAEA, protection of, 394

Mntual Security Act of 1954, specification of laws exempting functions of, 664

St. Lawrence Seaway Development Corporation, direction and supervision of, 213

Secretary of State, officers designated to act as, 1031

Exhibits, national, announcements and agreement regarding exchange of with Soviet Union, 577, 696

Expert Committee on U.N. Public Information, 1066, 1069 Export-Import Bank:

Functions, remarks and statements: Dillon, 245, 1058; Eisenhower, 855 Export-Import Bank—Continued

Loans and credits in: Africa, 647; EURATOM, 71, 73; Philippines, 121; Latin America, 314, 655, 919; Poland, 659; Turkey, 534

Exports:

Latin America, article (Lederer, Culbertson), 311

South and Southeast Asia, Colombo Plan report on, 860, 861, 864

U.S.-Canadian policies regarding, joint statement (Dulles, Smith), 204, 209

Exports, U.S. (see also Tariffs and trade, general agreement on; and Trade):

Address and statements: Anderson, 795; Dillon, 742, 743; Phillips, 354, 355

Agricultural surpluses, foreign disposal of, 66, 206, 423

Arms, U.S. regulations amended, 970 Latin America, article (Lederer, Culbertson), 311

Soviet-bloc countries, legislative controls on, 392, 467, $1051,\ 1054$

External debts, German, agreement on, 518

Falcón Briceño, Marcos, 346

Fanfani, Amintore, 287, 960, 961, 963

Far East (seculso Asia and individual countries):

Addresses: Cumming, 941; Dulles, 561

U.S. policy in, addresses, remarks, and statement; Dulles, 487, 490, 491, 573, 989; Parsons, 566

Farinholt, Larkin 11., 41

Faroe Islands, agreement (1956) on joint financing of air navigation services in, 87

Fessenden, Russell, 549

Figs, dried, escape-clause relief held unnecessary on imports of, 628

Films, negotiations and agreement for reciprocal exchange with Soviet Union, 289, 391, 696

Finance Corporation, International, Sce International Finance Corporation

Financial assistance, agreement with Ecuador providing for, 87

Finland:

Ambassador to U.S., credentials, 653

Tariff concessions, renegotiations under GATT, 215

Treaties, agreements, etc.:

Agricultural commodities, agreement amending 1955 and 1957 agreements with U.S., 296

Continental shelf, convention on, 848

Disputes, compulsory settlement of, optional protocol concerning, 848

Fishing and conservation of living resources of high seas, convention on, 848

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

High seas, convention on, 848

Road traffic, 1949 convention with annexes, 847

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

Visa requirements for nonimmigrants, agreement with U.S. waiving, 404

Fisheries, Northwest Atlantic:

1nternational Commission for, appointment of U.S. commissioner, 936

Protocol to international convention for, 403

Fisheries Commission, International North Pacific, appointment of U.S. commissioner, 673

Fisheries Council, Indo-Pacific, agreement (1948) for establishment of, 782

Fishing and conservation of living resources of the high seas, convention on, 554, 675, 782, 848, 891

Fisk, James B., 452

FitzGerald, William H. G., 224

Florit, Carlos Alberto, 348

Flour milled-in-bond, provisions of trade agreements legislation regarding tariff duty on, 1018

Food and Agriculture Organization of the United Nations: Agricultural production, achievements in raising, addresses: Cargo, 732; Phillips, 834

National food reserve policies, report on, statement (Phillips), 357

Foreign aid, U.S. Sec Economic and technical aid, Mutual security, and individual countries

Foreign currency:

Sales of agricultural surpluses for and use in overseas programs, 315, 424, 426

Turkish, agreement relating to ownership and use of repayments by Turkey to DLF, 592

Yugoslav, agreement providing for use of unexpended balance available under 1955 economic aid agreement with Yugoslavia, 984

Foreign economic policy. See under Economic policy and relations

Foreign Ministers of American Republics, Washington meeting:

Announcement and text of communique, 574

Statements: Dulles, 486, 601; Rubottom, 655, 658

Foreign Ministers meeting as prelude to summit conference:

Soviet position, 22

U.S.-U.K.-French position, 16

Foreign policy, U.S.:

Basic elements and principles of, addresses: Dulles, 375, 376, 897; Murphy, 141

Bipartisan support of, address and statement (Dulles), 374, 813

Congressional documents relating to See under Congress

Congressional election campaigns, question of partisan debate on, statements (Dulles), 682, 686

Formulation of:

Consultations with allies, 610, 765

Political and economic factors, 905

Public opinion influence, 598

FSI advanced program of study on, 675

Goals of, address (Herter), 494

Importance of tourism to, address (John Lodge), 823

Legislation. See under Congress

Maine election, effect on outcome of, statement (Dulles), 486

Need for balance in, address (Murphy), 874

Foreign Relations of the United States, 1941, Yolume I, General, The Soviet Union, published, 41

Foreign Service (see also International Cooperation Administration and State Department):

Academic training for, remarks (Eisenhower, Murphy), 689

Foreign Service-Continued

Ambassadors, appointments and confirmations, 434, 176, 223, 476, 676, 800, 1076

Consul general, designation, 476

Consular agencies in Peru, closings and opening, 224, 892

Consulates at:

Kirkuk, Iraq, closing, 1076

Peshawar, Pakistan, opening, 476

Zagreb, Yugoslavia, elevation to consulate general status, 519

Dependents of personnel in Lebauon, return authorized, 688

Director General, designation, 984

Economic and commercial staffs, functions, statement (Dillon), 1058

Embassy at Tripoli, Libya, moved to Benghazi, 224 European officials, regional meetings of, 611, 688

Examination, postponed, 519

Institute. See Foreign Service Institute

Operations in Africa, visit of Assistant Secretary Satterthwaite to observe, 782

Role in administration of immigration laws, address (Anerbach), 621

Science officers, appointments, 1048

Selection Boards, 12th meeting, announcement of and list of members, 518

Foreign Service Institute:

Training course for senior officers, inauguration of, 675

Visa training, address (Auerbach), 622, 624

Foreign trade. See Trade

Formosa. See China, Republic of, and Taiwan Straits

Foster, William C., 816

France:

African territories (see also individual territory), developments in:

Address and statements: Marian Anderson, 1028, 1073; Satterthwaite, 643, 644; Sears, 844

General Assembly resolutions (texts), 845, 1074

Berlin problem. See Berlin

Coordination of policies and resources with U.S. and U.K., proposals by General DeGaulle, 814, 1012

Friendship and cooperation treaty with U.S. and European states, Western reply to Soviet proposals, texts of U.S. and Soviet notes, 462

German reunification. Sec German reunification

Middle East, proposed summit conference on, question of French attendance, statement (Dulles), 271

Nuclear test suspension, Geneva meetings on. See Geneva conference of experts and Geneva meeting to negotiate

President of, congratulatory message to (Eisenhower), 612

Summit meetings, proposed. See Summit meeting

Surprise attack, prevention of, Scc Geneva technical talks and Surprise attack

Trade policy problems, GATT contracting parties 13th session views, 934

Treaties, agreements, etc.:

Agricultural commodities, agreement amending 1957 agreement with U.S., 176

France—Continued

Treaties, agreements, etc.—Continued

Aircraft carrier Belleau Wood, agreement amending agreement with U.S. relating to loan of, 475

Civil air transport services, notice of intent to terminate 1946 agreement with U.S., 296

Disputes, compulsory settlement of, optional protocol concerning, 848

Fishing and conservation of living resources of high seas, convention on, 848

German assets in Portugal and certain claims regarding monetary gold, agreement on, 936

German assets in Spain, protocol terminating obligations of 1948 accord, 554

High seas, convention on, 848

Radio network, U.S. Armed Forces, agreements with U.S. relating to establishment, 518

Special tools, agreement with U.S. for transfer of, 1031 Universal postal convention (1957), 403

U.N. public information program, U.S. views on French recommendations, statement (Hickenlooper), 1071, 1072

Francis, Clarence, 423

Free-trade area, European. Sec European free-trade

Free University of Berlin, 10th anniversary of founding, message (Dulles), 822

Freedom, The Defense of, address (Kohler), 154

Freedom of Ideas vs. Censorship, address (Berding), 55

French Cameroun, progress toward independence, address and statement: Marian Anderson, 1028; Satterthwaite, 643

French Guinea, withdrawal from French West African Federation, address (Satterthwaite), 644

French Togo. See Togo

French West African Federation, developments in, address (Satterthwaite), 644

Friendship, commerce, and navigation treaties, provisions for protection of private foreign investment, address and statement; Beale, 967; Dillon, 1058

Friendship and cooperation, Soviet proposal for treaty with U.S. and European states, texts of U.S. and Soviet notes and proposed treaty, 462

Fritz, Roy F., 400

Frondizi, Arturo, 210, 954

Fulbright, Sen. J. William, 547

Fulbright Act. Sec Educational exchange program

Fujiyama, Aiichiro, 447, 532

Fulham, Thomas A., 936

Fur, hatters', reduction of import duty on, announcement and proclamation, 392

Gabriel, Ralph H., 792

Gallman, Waldemar J., 176, 273, 984

García, Carlos P., 120

GATT. Sec Tariffs and trade, general agreement on

General agreement on tariffs and trade. See Tariffs and trade, general agreement on

General Assembly, U.N.:

Aggression, indirect, denunciation of, address (Dulles), 375

General Assembly, U.N.—Continued

China, question of representation in U.N., rejection of proposal to consider, statements (Lodge), 585

Disarmament, consideration of problem. See Disarmament: U.N. consideration

Documents, lists of, 330, 403, 590, 755, 983, 1030, 1075

Hungarian question. Sec Hungarian question: U.N. efforts

Korean question, efforts to resolve, statements (Hiekenlooper), $1020,\,1026$

Outer space discussion, Sen. Lyndon Johnson to speak for U.S. at, 868

Public information program, U.N., function, statement (Hickenlooper), 1068

Refugee programs. See Refugees

Resolutions:

Aggression, indirect, 307

Building in Chile, 982

Korean question, 1025

Middle East situation, 411

Race conflict in South Africa, 844

Representation of a member state, recognition by U.N., 586

South-West Africa, 841

Togoland, 1074

U.N. public information program, 1072

U.N. Special Fund, establishment of, 709

Taiwan Straits situation, question of consideration by, statement (Dulles), 489

3d emergency session. See under Middle East situation 13th session:

Agenda, 292, 589, 590, 630

Problems confronting, address (Wileox), 506

U.S. delegates, 294

General War Sequel Law, Federal Republic of Germany, provisions regarding filing of claims, 699

Geneva ambassadorial talks, U.S.-Communist China. See Warsaw ambassadorial talks

Geneva conference of experts to study the possibility of detecting violations of a possible agreement on the suspension of nuclear tests:

Participants, lists of, 11, 12, 48, 102, 103, 462, 520

Preparations for, letter and message (Eisenhower, Thompson), 47, 48

Prospects for success, statement (Dulles), 8

Relationship to cessation of nuclear tests, U.S. and Soviet positions, aide memoire and statements: Department, 148; Dulles, 9; U.S. and Soviet aide memoire, 11, 47, 101, 235

Russian political officers, presence of, statements (Dulles), 106

Success and accomplishments of:

Addresses and statements: Cargo, 730; Dulles, 903; Eisenhower, 378; Lodge, 668, 748, 753; Murphy, 875; Wilcox, 509

Concluding conference statement (Fisk), 452

Texts of final communique and report, 452, 453

Geneva conventions (1949) on treatment of prisoners of war, wounded and sick, and civilians, 555, 848, 1075 Geneva meeting to negotiate an agreement on suspension of nuclear weapons tests and establishment of an international control system:

Acceptance of U.S. proposal for, Soviet, statement (Eisenhower) and texts of U.S. and Soviet notes, 378, 503

Attendance by Secretary Dulles, question of, 686, 724

General Assembly resolutions regarding, statements (Lodge) and texts of resolutions, 783, 787, 790, (texts), 791, 792

Prospects for success, statement (Dulles), 772

Soviet obstruction to progress, address (Murphy), 1047 U.S. delegation, 503, 724

Western and Soviet proposals, addresses, notes, and statements: Barco, 754; Eisenhower, 378, 723; Herter, 808; Lodge, 748, 751, 752, 786, 787, 788, 837; Murphy, 875; U.S. and Soviet notes, 503, 723

Geneva technical talks on preventing surprise attack (see also Surprise attack):

Acceptance of U.S. proposal for, texts of U.S. note and Premier Khrushchev's letter, 278

Date of, exchange of U.S. and Soviet notes regarding, texts, 504, 648

Importance of, address (Dulles), 903

Participants, U.S. and Western, lists of, 688, 815

Progress of and prospects for success:

Addresses and statements: Dulles, 772; Lodge, 838, Murphy, 875, 876; Wilcox, 509

Meeting (Eisenhower, Dulles) on, 994

Soviet obstruction to, addresses: Murphy, 1047; Wilcox, 998, 999

U.N. Committee 1 resolutions regarding, texts, 791, 792
U.S. and Soviet positions, address and statements: Herter, 808; Lodge, 749, 752

Geophysical Year, International. See International Geophysical Year

Germany:

Berlin. See Berlin

Foreign forces in, Soviet proposal for reduction, 97, 465, 466

Reunification of:

Federal Republic request regarding, exchanges of correspondence; U.S. and Federal Republic aide memoire, 613; U.S. and Soviet notes, 615

Free elections for, U.S. and Western support, address, memoranda, and statement: Dulles, 812; Murphy, 1047; U.S.-U.K.-French memoranda, 14, 16

Negotiations with Soviet Union on, question of reopening, statement (Dulles), 949

Peace treaty, Soviet proposal for, 20, 97, 98

Soviet violation of agreements for and opposition to, addresses and statements: Dulles, 63, 65, 526; Herter, 807; Murphy, 1045, 1046

Soviet violation of agreements regarding, address (Herter), 806, 807

Germany, East:

Berlin, Soviet proposal to relinquish responsibilities to. Scc Berlin

Germany, East-Continued

Detention of U.S. helicopter crew and passengers, correspondence and statements regarding return of:
Defense-State Departments press release, 50;
Dulles, 109, 110; Soviet note, 148; U.S. aide memoire, 52, 108, 147

Refugees, flight to West Germany, statement (Lodge), 588

U.S. policy of nonrecognition of, statement (Dulles), 735

Germany, Federal Republic of:

Claims against, legislation regarding:

General War Sequel Law, 692

German Federal Restitution Law, 620

Import restrictions, question of elimination, 578, 714, 931, 932

Middle East situation, U.S.-German meeting on, joint communique (Dulles, Adenauer), 281

President, visit to U.S., 22, 126

Trade with Communist China, 389

Treaties, agreements, etc.:

Air navigation equipment, agreement extending 1955 agreement with U.S. for lease of, 134

Assets in Portugal, German, and certain claims regarding monetary gold, agreement on, 936

Assets in Spain, German, protocol terminating obligations arising from 1948 accord regarding, 554

Continental shelf, convention on, 848

Disputes, compulsory settlement of, optional protocol concerning, 848

External debts, German, agreement on, 518

GATT, declaration extending standstill provisions of article XVI:4, 984

High seas, convention on, 848

IAEA, statute, application to West Berlin, 134

NATO, national representatives and international staff, agreement on status of, 296

Naval vessels or small craft, agreement with U.S. amending 1957 agreement for loan, 848

North Atlantic Ice Patrol, agreement (1956) regarding financial support of, 223

Property, rights and interests in, charter of Arbitral Commission on, 41, 983

Sugar, protocol amending international agreement (1953) on, 636

Universal postal convention (1957), 403

Visit of Secretary Dulles, 237

Visit of Under Secretary Dillon, 532

Ghana:

IBRD, membership, 633

Import restrictions, GATT consultations on, 349

Prime Minister, visit to U.S., 283

Treaties, agreements, etc.:

Collisions at sea, regulations (1948) for preventing, 675

Continental shelf, convention on, 554

Corn, agreement with U.S. for supply of, 665

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

International load line, convention (1930), 675

Ghana—Continued

Treaties, agreements, etc.—Continued

Investment guaranty program, agreement with U.S., 620,675

Safety of life at sea, convention (1948) on, 675

Territorial sea and contiguous zone, convention on, 554

Touring, convention (1954) concerning customs facilities for, 936

Treatment of prisoners of war, wounded and sick, and civilians, Geneva conventions (1949) on, 555

Visit of U.S.-U.K. scientific panel, 782

Gold, U.S. position on price of, statement (Robert Anderson), 795

Grant, James P., 260

Grant-aid:

U.S. to: Ceylon, 430; Lebanon, 592; Latin America, 314; Turkey, 323

UNRWA program for Arab refugees, terminated, address (Ludlow), 777

Great Britain. See United Kingdom

Greece:

Ambassador to U.S., credentials, 815

Agricultural commodities, agreement with U.S., amending 1957 agreement, 936

DLF loan, 69

Universal postal convention (1957), 403

Visit of Under Secretary Dillon, 532

Green, Sen. Theodore Francis, 547, 605

Greenland, agreement (1956) on joint financing of air navigation services in, 87

Guatemala:

Ambassador to U.S., credentials, 10

Continental shelf, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554 Universal postal convention (1957), 403

Guinea:

U.S. recognition of Republic of, exchange of correspondence (Eisenhower, Toure), 966

Withdrawal from French West African Federation, address (Satterthwaite), 644

Haberler, Gottfried, 930

Haiti:

Ambassador to U.S., credentials, 1042

Revolt in, U.S. regrets reported involvement of Americans, 282

Treaties, agreements, etc.:

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Duty-free entry and exemption from taxation of relief supplies and packages into Haiti, agreement with U.S., 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Military training unit, temporary assignment to Haiti, agreement with U.S. for, 892

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

Hammarskjold, Dag, 184, 190, 220, 1066

Hanes, John W., Jr., 984

Hardcastle, John B., 661

Harrison, George McGregor, 294, 842

Hart, Parker T., 716

Hatters' fur, reduction of import duty on, announcement and proclamation, 392

Heads of Government meetings, proposed. Sec Summit meeting and Middle East situation: Heads of Government

Health and sanitation (see also World Health Organization):

Malaria eradication, U.S. and WHO efforts, 290, 381, 382, 732, 834

U.S. programs in less developed countries, report on, address (Smith), 381, 382

Health Organization, World. See World Health Organization

Heishourg, Georges, 815

Helicopter, U.S., detention of crew and passengers in East Germany, correspondence and statements regarding return of: Defense-State Departments press release, 50; Dulles, 109, 110; Soviet note, 148; U.S. aide memoire, 52, 108, 147

Henderson, Loy W., 611

Herter, Christian A., addresses and statements:

Communist China cease-fire gesture in Taiwan Straits area, 650

Danish ships requisitioned by U.S. in World War II, agreement with Denmark for compensation, 474

International Politics and the Preservation of Peace, 494

Management, importance to economic development, 914

The Meaning of International Obligations, 805

U.S. national security policy, 1037

Heuss, Theodor, 22, 126

Heywot, Zande Gabre, 613

Hickenlooper, Sen. Bourke B.:

Confirmation as U.S. representative to General Assembly, 294

Statements:

Disarmament, U.S. position on, 783

1AEA annual report, U.S. views, 935

Korean question, U.N. efforts to solve, 1020, 1026

U.N. budget for 1959, 755

U.N. building in Chile, proposed, U.S. support, 982

U.N. public information program, 1066, 1069

U.N. refugee programs, U.S. contributions to, 798, 799

High seas, conventions on the, 554, 675, 782, 848, 891 Highway improvement program, Turkish, U.S. aid for, 85

Hill, Rey M., 368

Holy See:

Disputes, compulsory settlement of, optional protocol concerning, 555

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554 Universal postal convention (1957), 403

Honduras:

U.S. Operations Mission, designation of director, 892 Universal postal convention (1957), 403

Hoover, Herbert, 211

Hospitals and medical care, veterans, agreements with Philippines regarding, 176

Human rights:

Communist suppression of, address (Dulles), 866, 867 Covenants, U.S. position on, statement (Lord), 758

Human Rights Week, 1958, proclamation, 917

Humphrey, Sen. Hubert H., 547

Hungarian question:

Instigation and organization of revolt, denial of Soviet charge against VOA, statement (Hickenlooper), 1070

Refugees, assistance to, 256, 257, 259, 912

2d anniversary of Hungarian revolt against Communist rule, 739

Soviet intervention in Hungary:

Addresses, remarks, and statements: Herter, 807; Lodge, 589; Murphy, 651; Rogers, 151

Chinese Communist support of Soviet actions, 389

U.N. efforts to resolve:

Addresses (Wilcox) and text of U.S. note, 508, 911, 1000

Inscription on 13th General Assembly agenda, statement (Lodge), 589

President's 12th annual report to Congress on U.S. participation in the U.N., 220

U.N. Special Committee on the Problem of Hungary, new report, 295

Hungary:

Internal affairs, text of U.S. note refuting charges of interference in, 910

Patriots, executions and reprisals against, statements: Department, 526; Dulles, 6, 7

St. Stephen's Day, 1958, 379

Soviet intervention in. See under Hungarian question

Treaties, agreements, etc.:

High seas, convention on, 891

Territorial sea and contiguous zone, convention on, 891

Universal postal convention (1957), 403

Hydroelectric power, IBRD loan for development in Bruzil, 663

IAEA. See Atomic Energy Agency, International

1BRD. See International Bank for Reconstruction and Development

ICA. See International Cooperation Administration

ICAO. See International Civil Aviation Organization

ICARE. See Instituto Chileno de Administración Racional de Empresas

Ice Patrol, North Atlantic, agreement regarding support of, 223

Iceland:

Sino-Soviet economic offensive in, 32

Treaties, agreements, etc.:

Agricultural commodities, agreement supplementing 1958 agreement with U.S., 223

Air navigation services in, 1956 agreement on joint financing, 87

Continental shelf, convention on, 554

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Iceland--Continued

Treaties, agreements, etc.—Continued

Territorial sea and contiguous zone, convention on, 551

Universal postal convention (1957), 403

ICEM. See Intergovernmental Committee for European Migration

1CJ. Sec International Court of Justice

1DAB. Sec International Development Advisory Board

1FC. See International Finance Corporation

1GY. Sec International Geophysical Year

IJC. See International Joint Commission

ILO. Sec International Labor Organization

1MF. Sec International Monetary Fund

Immigration into U.S.:

Administration of immigration laws by Department of State and Foreign Service, article and statement: Auerbach, 621; Dulles, 107

Refugees. See Refugees and displaced persons

Visas issued during 1958, tables, 624

Imports ($sec\ also\ Exports, Tariffs\ and\ trade, and\ Trade)$:

Latin America, from U.S., increase in, 314

Private road vehicles, customs convention (1954) on temporary importation, 331, 591, 848, 936

South and Southeast Asia, Colombo Plan report on, 860, 861

U.S. (see also Tariff policy, U.S.):

Arms, U.S. regulations on, amended, 970

Importance to U.S. and world economy, address and statements: Anderson, 795; Dillon, 742, 743, 744; Phillips, 354

Latin America, increase in, 313

Lead and zinc, problem of. Sec Lead and zinc

Inagaki, Heitaro, 665

Income tax, conventions for avoidance of double taxation.

See Double taxation

India:

Agricultural commodities, agreements with related letter with U.S., 176, 591, 636

Ambassador to U.S., credentials, 1042

Finance Minister, visit to U.S., 535

Free world economic aid to, address (Reinhardt), 516

IBRD loan for railway improvement, 545

Prevention of surprise attack, resolution on, U.S. support, statement (Lodge), 791, (text) 792

Representation of China in U.N., proposal for inclusion of question on agenda, statements (Lodge), 585

Soviet-bloc aid, article (Wright), 922, 923

Summit meeting on Middle East situation, question of representation, statement (Dulles), 268

U.S. aid, 67, 156, 245, 493,

U.S. policy regarding, statement (Dulles), 736, 737

Universal postal convention (1957), 403

Visit of Under Secretary Dillon, 532

Indirect aggression. Sec Aggression

Indo-Pacific Fisheries Council, agreement (1948) for establishment of, 872

Indonesia:

Colombo Plan, selection as site for 11th meeting of, 861

Disputes, compulsory settlement of, optional protocol concerning, 555

Indonesia—Continued

Fishing and conservation of living resources of high seas, convention on, 554

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

Geneva conventions (1949) on treatment of prisoners of war, wounded, sick, and shipwrecked, and civilians, 848

High seas, convention on, 554

Military equipment and services, agreement with U.S. for purchase of, 384, 404

Opium and other drugs, convention (1912) relating to suppression of abuse of, as amended, 260

Soviet-bloc aid, article (Wright), 922, 923

Universal postal convention (1957), 403

Industrial property, diplomatic conference for revision of the international convention for protection of, U.S. delegation to, 635

Industrial research and zoning, ICA programs of assistance in less developed countries, 1063

Information, exchange of. Sec Exchange of information Information, Public, Expert Committee on U.N., 1066, 1069

Information, Reciprocity, Committee for, 349, 1019

Information activities and programs:

Exchange of information. See Exchange of information

Information center, U.S., to be opened at 80th Canadian National Exhibition, 393

Investment opportunities, overseas, U.S. facilities for gathering and disseminating information regarding, 968, 1058, 1061, 1065

Scientific:

Export of, removal from State Department jurisdiction over, 970

Proposal to coordinate U.S. activities, 1049

U.N. public information program, statements (Hickenlooper) and General Assembly resolution, 1066

Weather, ICAO financing of North Atlantic stations for obtaining, 885

Information Agency, U.S. Scc United States Information Agency

Inspection and control systems:

Detection of nuclear weapons tests, negotiations regarding. See Geneva conference of experts and Geneva meeting to negotiate

Prevention of surprise attack, proposals for. See Geneva technical talks and Surprise attack

Relationship to disarmament, addresses and statements; Dulles, 527, 903; Lodge, 749, 752, 980; Murphy, 876; Wilcox, 509, 998

Instituto Chileno de Administración Racional de Expresas, 915, 1061

Inter-American Affairs, Bureau of, reorganization by State Department, 592

Inter-American conference, 11th, U.S. loan to Ecuador for, 68

Inter-American cooperation and unity, strengthening:

Address, letters, and remarks: Dulles, 304, 305, 306; Eisenhower, 210, 303; Frondizi, 210

American Foreign Ministers meeting, text of communique, 575, 576 Inter-American cooperation and unity—Continued U.S.-Brazil joint communique, 301

U.S. views on proposed meeting, statement (Dulles), 104

Visit of Milton Eisenhower to Central America, report on, 309

Inter-American development institution, proposed. See under Development institutions

Inter-American Tropical Tuna Commission, appointment of U.S. commissioner, 174

Interdependence, principle of, address and statement: Dillon, 318; Dulles, 738

Intergovernmental Committee for European Migration, meetings of Council and Executive Committee, article (Warren), 255

Intergovernmental Maritime Consultative Organization, convention (1948) on, 296, 1075

Interim Coordinating Committee for International Commodity Arrangements, recommendation for meeting on lead and zine problem, 847

International Atomic Energy Agency. Sec Atomic Energy Agency, International

International Bank for Reconstruction and Development (sec also Development Loan Fund, International Finance Corporation, and International Monetary Fund):

Aid to India, 245, 516, 535

Annual report, anouncement and statement (Dillon), 632, 796

Articles of agreement, 554

Authorized capital, U.S. proposes increase in, addresses, article, letters, remarks, and statement: Anderson, 414; Dillon, 859, 871; Dulles, 528; Eisenhower, 412, 855; Wright, 927

Board of Governors, annual meeting, message and statements (Anderson, Dillon, Eisenhower), 793

Executive director, U.S., appointment of, 1073

International development association, proposed establishment as an affiliate of. See Development association, international

Loans in: Africa, 646; Asia, 562; Brazil, 663; India, 545; Latin America, 919; Peru, 628

Reports on financial activities, 328, 836

Spanish membership, 964

Suez Canal compensation, announcement of signing final agreement for, 349

International Civil Aviation Organization:

Air navigation, special meeting on, 535

North Atlantic ocean stations, rescues by weather ships, 885

International Commission for the Northwest Atlantic Fisheries, appointment of U.S. commissioner, 936

International Committee on Onomastic Sciences, functions, 399

International convention for protection of industrial property, U.S. delegation to diplomatic conference for revision of, 635

International Cooperation Administration (see also Development Loan Fund, Economic and technical aid, and Mutual security):

Asian economic development fund, 156

Cooperation with CARE, address (Reinhardt), 515

International Cooperation Administration—Continued Deputy Director, appointment (Saccio), 440

Deputy Director for Management, appointment (Fitz-Gerald), 224

Deputy Director for Program and Planning, appointment (Grant), 260

Directors of Operations Missions and representatives, appointments and designations, 176, 223, 368, 519, 716, 760, 892, 984

Health programs, 290, 381, 382

Investment guaranty program. See Investment guaranty

Investment of private capital abroad, efforts to stimulate, statement (Smith), 1060

Loan to Ecuador for 11th inter-American conference, 68 Management programs in Latin America, address (Herter), 915

Relief aid to civilians in Taiwan Straits area, 576

Technical cooperation program, expansion of, address (Dillon), 871, 872

Visit of Director to observe operations in Africa, 782 International Court of Justice:

Compulsory jurisdiction, U.S. position, address (Rogers), 537, 538, 539

Statute, declaration recognizing compulsory jurisdiction, 223, 554, 675

Taiwan Straits situation, question of submitting for settlement, statements (Dulles), 681, 682, 687

U.S. claim against Soviet Union for destruction of Navy Neptune plane, U.S. application, announcements, and texts of notes, 420, 698

International Development Advisory Board, 493

International development association, proposed. See Development association, international

International Finance Corporation (see also Development Loan Fund and International Bank):

Articles of agreement, 554, 592

Functions of, address and remarks (Beale, Dillon), 871, 968

International Geophysical Year:

Meetings of scientists in Soviet Union, 391

Oceanographic survey, participation of Soviet ship Vityaz in, 578

Outer-space activities, U.S. support of, statement (Lodge), 975

Relationship to satellite programs, address (Becker), 418

International Joint Commission (U.S.-Canada):

Semiannual executive meeting, text of joint release, 773 U.S. commissioner, appointment of, 466

International Labor Organization, report on appraisal of its programs, statement (Kotschnig), 362, 364

International law (see also International Court of Justice):

Development of, remarks (Murphy), 740

International order under, address (Rogers), 536

Laws and customs of war on land, convention (1907) and annex, 592

Law of the sea, conventions and protocol regarding, 554, 675, 782, 848, 891, 984

Outer space, legal aspects of, address and statement: Becker, 416; Lodge, 977 International law—Continued

Rule of law, developing universal respect for, remarks (Murphy), 651

Taiwan Straits situation, legal authority of U.S. position, address (Maurer), 1005

U.S. support, address (Dulles), 902

Western legal system, adoption in Asia, address (Cumming), 943

International Monetary Fund (sec also International Bank):

Aid to: Latin America, 312; Turkey, 322, 323

Annual report, statement (Anderson), 794

Articles of agreement, 554

Board of Governors, annual meeting, message and statement (Anderson, Eisenhower), 793

Functions of, remarks (Dillon), 920

Qnotas, U.S. proposes increases in, addresses, letters, and remarks: Anderson, 414; Dillon, 871; Dulles, 528; Eisenhower, 412, 855

International North Pacific Fisheries Commission, appointment of U.S. commissioner, 673

International organizations (see also subject):

Calendar of international meetings, 38, 216, 397, 550, 700, 886

Works of, protocol 2 concerning application of universal copyright convention (1952) to, 983

International Rice Commission, amended constitution, 782

International Rules of Judicial Procedure, Commission on, 537

International Scientific Committee for Trypanosomiasis Research, designation of U.S. observer to 7th meeting, 400

International Telecommunication Union (see also Telecommunications), U.S. delegation to administrative telegraph and telephone conference of, 634

Investment guaranties, U.S. program:

Accomplishments and functions, addresses and statements; Dillon, 1058; Dulles, 562; Reinhardt, 516; Smith, 1060

Agreements with: Austria, 848; Ghana, 620

DLF program, 1012, 1064

Efforts to expand, remarks (Beale), 967, 968

Investment of private capital abroad:

Africa, address (Satterthwaite), 646

Brazil, U.S. investments in, address (Dulles), 305

Canada, U.S. investments in, address (Eisenhower), 207

Colombo Plan countries, needed for development of, communique and report, 861, 863, 864

Expansion and protection of, U.S. efforts, addresses, article, remarks, and statements: Beale, 967, Dillon, 245, 859, 873, 920, 1056; Eisenhower, 855, 856; McIntosh, 1064; Murphy, 908. Smith, 1060; Wright, 927

Investment guaranties. See Investment guaranties Latin America, U.S. investments in, addresses, article, and remarks: Dillon, 919, 920; Herter, 914; Lederer, Culbertson, 315; Rubottom, 655, 656

Iran:

DLF loan to, 154

Shah, visit to U.S., 153

tran—Continued

Soviet interference in, address (Herter), 807

Support of U.S. action in Lebanon, 183

Treaties, agreements, etc.:

Continental shelf, convention on, 554

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

IAEA, statute, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

U.S. Ambassador, confirmation, 134

U.S. health centers in, 382

U.S. requests information on missing Air Force plane, 505

Visit of Under Secretary Dillon, 532

Iraq (see also Arab Union):

Overthrow of government in (see also Middle East situation), statements: Eisenhower, 182, 183; Lodge, 186, 187, 195

U.S. Ambassador, appointment, 1076

U.S. citizens in, protection of, 199

U.S. consulate at Kirkuk, closing of, 1076

U.S. recognition of, 270, 273

Universal postal convention (1957), 403

Ireland:

IBRD membership, 633

Treaties, agreements, etc.:

Atomic energy, civil uses of, agreement with U.S., 176 Continental shelf, convention on, 675

Copyright convention (1952), universal, protocols 1, 2, and 3 to, 983

Fishing and conservation of living resources of high seas, conventions on, 675

High seas, convention on, 675

IFC articles of agreement, 554

Sugar, international agreement (1953) on, with protocol and annex, 1031

Territorial sea and contiguous zone, convention on, 675

Universal copyright convention (1952), 936

Universal postal convention (1957), 403

Irrigation and land development projects in Ceylon, DLF loan, 68

Israel:

Arab refugees, U.S. and U.N. efforts to solve problems of, address and statement; Hickenlooper, 798; Ludlow, 775

Treaties, agreements, etc.:

Agricultural commodities, agreements with U.S., 176, 555, 892

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

Italy:

Foreign policy, U.S. views on, address and statements: Dulles, 949, 950; Zellerbach, 959

National Poultry Meat Fair at Varese, U.S. exhibit, 429 Prime Minister, visit to U.S., 287

Surprise attack, prevention of. See Geneva technical

Treaties, agreements, etc.:

Agricultural commodities, agreement amending 1956 agreement with U.S., 176

Financial aid for public works projects in San Marino, agreement with San Marino, 928

Universal postal convention (1957), 403

Trust Territory of Somaliland. See Somaliland

Jamali, Fadhil, 186, 198

Japan :

Atomic energy safeguards, request for IAEA to administer, remarks (McCone), 669

Chinese Communist trade offensive against, remarks (Parsons), 567, 568

Foreign Minister, visit to U.S., 447, 532

GATT, request for full application by all members and selection of Tokyo as site for meeting of, 933, 935

International trade fair at Osaka, U.S. participation, 429

Lebanon, withdrawal of U.S. troops in, proposed resolution relating to, 199

Nuclear weapons testing, suspension of, cosponsor of resolution on, statements (Lodge), 790, 791, 792 (text)

Prisoners of war, Soviet failure to return, address (Herter), 806

Trade Mission, visit to U.S., 665

Treaties, agreements, etc.:

GATT, declaration extending standstill provisions of article XVI:4, 984

ICJ, statute, 675

Japanese contributions under 1952 administrative agreement for U.S. services and supplies in Japan, agreement with U.S. relating to, 592

Parcel post, agreement and protocol with U.S., 1076 Security treaty with U.S., question of revision, 487, 532

Research and power reactor for civil uses of atomic energy, agreement and protocol with U.S., 40, 41, 674, 675, 1076

Research reactor for civil uses of atomic energy, agreement (1955) with U.S., terminated, 1076

United Nations forces in Japan, agreement regarding status and agreed official minutes, 223

Universal postal convention (1957), 403

Jarring, Gunnar Valfrid, 199

Jernegan, John D., 1076

Johnson, Sen. Lyndon B., 868, 977

Johnston, Eric, 289

Johnstone, James R., 549

Joint Commission (U.S.-Canada), International, See International Joint Commission

Joint Defense, Canada-U.S. Committee on, agreement and joint statement (Eisenhower, Diefenbaker) for establishment, 204, 208, 555

Jones, Robert L., 171

Jordan (see also Arab Union):

Ambassador to U.S., credentials, 904

Army of, request U.S. survey team to study, 651

Opium and other drugs, convention (1912) relating to suppression of the abuse of, 175

Political independence and security of, efforts to preserve. See Middle East situation

Universal postal convention (1957), 403

Jordan River project, nonacceptance by Arab states for rehabilitation of Palestine refugees, address (Ludlow), 777, 778

Judicial Procedure, Commission on International Rules of, 537

Jum'a, Midhat, 904

Justice, International Court of. See International Court of Justice

Kallis, Selma G., 542

Kamil, Mustafa, 346

Kearns, Henry, 713

Kennedy, Sen. John F., 547

Kennedy, John P., 662

Khrushchev, Nikita, correspondence with President Eisenhower on:

Middle East situation, 229, 275, 342, 369

Nuclear weapons tests, Geneva conference of experts on detection of, 149

Summit meeting, proposed, agenda proposals, 96

Surprise attack, prevention of, acceptance of U.S. proposal for talks on, 279

Taiwan Straits situation, 499

U.S.-Soviet trade, expansion of, 200

King, Gordon D., 476

Knuth-Winterfeldt, Kield Gustav, 815

Koegel, Lawrence, 592

Kohler, Foy D., 154

Korea:

Communist aggression in, address, report, and statement: Dulles, 525; Eisenhower, 481; Hickenlooper, 1021, 1023

Reunification of:

General Assembly actions regarding, statements (Hickenlooper) and text of resolution, 1020, 1025, 1026

"Sixteen" requests for, announcements, communication (Lodge), and U.K. note regarding, 152, 1003 Soviet prevention of, address (Herter), 807

Troop withdrawal from:

Chinese Communist announcement of, U.S. views, statements, Dulles,772; Hickenlooper, 1023

U.N. Command replies to Communist requests, texts, 781

Korea, north:

Korea, proposal for withdrawal of foreign troops from, U.N. Command reply to, 781

Soviet creation of, statement (Hickenlooper), 781

Korea, Republic of:

Independence of, 10th anniversary, message (Dulles), 346

Minister of Reconstruction, visit to U.S., 693

U.N. membership, Soviet veto, statement (Hickenlooper), 1025 Korea, Republic of-Continued

U.S. aid, 84

I'.S. cultural relations with, article (Colligan), 115

Universal postal convention (1957), 403

Kotschnig, Walter M., 360

Kretzmann, Edwin M. J., 592

Kubitschek de Oliveira, Juscelino, 282

Education, ICA programs, 1063

Forced labor, Chinese Communist, addresses: Berding, 958; Cumming, 942; Dulles, 866, 991, 993; Murphy,

Working conditions in Panama Canal Zone, U.S. legislation regarding, announcement and message (Eisenhower), 237

Labor Organization, International, report on appraisal of its programs, statement (Kotschnig), 362, 364

Lacy, William S. B., 390

Langer, Sen. William, 547

Laos:

Aircraft, convention (1948) on international recognition of rights in, 403

Universal postal convention (1957), 403

U.S. Operations Mission, designation of director, 176

Latin America (see also Inter-American, Organization of American States, Pan American, and individual countries):

Balance of payments with U.S. during 1957 and 1st quarter of 1958, article (Lederer, Culbertson), 311

Collective security, address (Dulles), 305, 306

Economic development. See under Economic develop-

Foreign Ministers, Washington meeting:

Announcement and text of communique, 574

Statements: Dulles, 486, 601; Rubottom, 655, 658

Inter-American development institution, proposed.

See under Development institutions

Italian relations with, address (Zelferbach), 960

Participation in decisions regarding world problems, letters (Eisenhower, Kubitschek), 281

Soviet-bloc economic activities in, article (Wright), 923, 924

U.S. cultural relations with, article and statement; Colligan, 113; Dulles, 10

U.S. policy toward, address (Rubottom), 654

Lavergue, Daly C., 176

Law, international. Sec International law

Lead and zinc, problem of oversupply of:

Geneva meetings on, U.S. delegation to, 847

U.S. imposition of import quotas:

Announcement at Latin American Foreign Ministers meeting, statement (Dulles), 601

Letter and proclamation (Eisenhower), 579

U.S. position, addresses, letter, and statement; Dillon, 744; Dulles, 597; Eisenhower, 69; Mann, 583

League of Arab States, Pact of, 410, 411, 686

League of Nations, Soviet policy regarding, 996

Lebanon:

Dependents of U.S. officials in authorized to return to,

ICA research institution, 1063

Lebauon—Continued

Political independence and security of, efforts to preserve. See Middle East situation

Travel in, Americans advised against, 31

Treaties, agreements, etc.:

Continental shelf, convention on, 554

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Special assistance for budgetary support, agreement with U.S. granting, 592

Universal postal convention (1957), 403, 636

Wheat, agreement with U.S. for supply, 68

Visit of Under Secretary Dillon, 532

Lederer, Walther, 311

Leiller, Ross L., 673

Legislation, foreign, regarding war damage and restiintion:

Austria, 619

Federal Republic of Germany, 620, 699

Legislation, U.S. See under Congress

Lemus, José María, 822

Less developed countries (see also Development Loan Fund, International Bank, and Special Fund):

Appeal of communism to peoples of, 946, 1038

Commodity problems, efforts to solve, statement (Phillips), 358

Economic development. Scc Economic development

Economic offensive of Soviet Union and Soviet-bloc countries in, and U.S. programs and policies to counter:

Addresses, article, remarks, and statements: Cumming, 941; Dillon, 244, 245, 320, 819, 821, 869; Allen Dulles, 828; Dulles, 35, 36, 111, 241, 990, 992; Herter, 1038, 1039; Murphy, 905, 907, 908, 1043; Parsons, 566, 569; Phillips, 704, 833; Reinhardt, 517; Smith, 382; Wilcox, 25, 26; Wright, 922

State Department publication on, 31

Food reserve policies in, importance of establishment in, statement (Phillips), 357

Investment of U.S. private capital in, Sec Investment of private capital abroad

Postwar inflation in, statement (Phillips), 352

U.N. technical assistance program. Sec under United Nations

U.S. aid, 3, 515, 516, 517, 705, 899

Liutis, Alexis S., 815

Libby, W. F., 160

Liberia:

Treaties, agreements, etc.:

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554 Universal postal convention (1957), 403

U.S. aid, 86

U.S. Operations Mission, designation of director, 984

Visit of U.S.-U.K. scientific panel, 782

Libonati, Roland V., 635

Libya:

Ambassador to U.S., eredentials, 54

1BRD, membership, 836

Treaties, agreements, etc.:

IBRD, articles of agreement, 554

IFC, articles of agreement, 592

IMF, articles of agreement, 554

Universal postal convention (1957), 403

U.S. aid, 84

U.S. Embassy, transfer from Tripoli to Benghazi, 224

Liechtenstein, universal copyright convention (1952), and protocols 1 and 2, 936, 983

Linen toweling, escape-clause relief held unnecessary on imports of, 628

Lleras Camargo, Alberto, 30

Load line convention (1930), international, 675

Loan Fund, Development. See Development Loan Fund Loans, U.S. (see also Development Loan Fund and Ex-

port-Import Bank):

ICA loan to Ecuador for 11th inter-American conference, 68

Latin America, address and article: Lederer, Culbertson, 314; Rubottom, 655

Proceeds from sales of surplus agricultural commodities, use for loans, 430, 431, 432, 433, 434, 1063, 1065

Lodge, Henry Cabot:

Address and statements:

Chinese representation in the U.N., question of, U.S. position, 585

Disarmament:

Agenda items, procedure for discussion, 666, 667, 668

U.S. and Soviet views on, 747, 751, 752, 753, 787

Lebanese complaint against intervention by U.A.R., 88, 90, 186

Nuclear weapons tests, suspension and control of, U.S. position on proposed resolutions regarding, 790, 837, 839

Outer space, peaceful uses of, U.S. views and proposal regarding, 972, 974, 980

"Peaceful coexistence," General Assembly approval of rewording of agenda item on, 590

"Situation in Hungary," inscription of item on General Assembly agenda, U.S. support, 589

U.S. troops in Middle East, question of withdrawal of, 629

United Nations and American Ideals, 448

United Nations Day, 1958, 727

Communication to U.N. Secretary-General regarding Korean reunification, 153

Confirmation as U.S. Representative to U.N. General Assembly, 294

Lodge, John Davis, 823, 963

Longman, Tremper, 519

Loomis, Daniel P., 822

Lopez Mateos, Adolfo, 1012

Loran transmitting station, agreement with Nicaragua for establishment, 555

Lord, Mrs. Oswald B., 294, 758

Ludlow, James M., 775

Luxembourg:

Ambassador to U.S., credentials, 815

Treaties, agreements, etc.:

GATT, process verbal of rectification concerning protoeol amending part I and articles XXIX and XXX, protocol amending preamble and parts II and III, and protocol of organizational amendments, 296

GATT, protocol of rectification to French text, 296

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

Property rights and interests in Germany, charter of Arbitral Commission on, 41

Universal postal convention (1957), 403

Macmillan, Harold, 23, 83, 275, 277

Magill, Robert N., 440

Malaria eradication, U.S. and WHO efforts, 290, 381, 382, 732, 834

Malaya, Federation of:

DLF loan for seaport improvement, 290

IBRD, membership, 633

Import restrictions, GATT consultations on, 349

Treaties, agreements, etc.:

Indo-Pacific Fisheries Council, agreement (1948) for establishment of, 782

International Rice Commission, amended constitution and rules of procedure, 782

Military equipment, materials, and services, agreement with U.S. for purchase, 675

Road traffic, convention (1949) on, with annexes, 675

UNESCO, constitution, 296

Maleter, Pal, 7

Management, importance to economic development, address and statements: Dillon, 920; Herter, 914; Smith, 1061

Manila Air Station, agreements with Philippines relating to, 404

Mann, Thomas C., 583

Mansfield, Sen. Mike, 294, 547, 702, 708

Maritime Consultative Organization, Intergovernmental, eonvention (1948) on, 296, 1075

Marshall plan, address (Dulles), 3

Matsu and Quemoy Islands. Sec Taiwan Straits situation

Maurer, Ely, 1005

Mayo, Charles W., 839

McBride, Robert H., 549

McClellan, Harold Chadick, 696

McConaughy, Walter P., 222

McCone, John A., 633, 668

McElhiney, Thomas W., 592

MeElroy, Neil H., 160

McInnis, Edgar, 61

McIntosh, Dempster, 1064

McKay, Douglas, 773

McKinney, Robert M., 633, 673

McLaughlin, Robert E., 126

MeNaughton, Gen. A. G. L., 773

McWhorter, Roger B., 466

Medical care and veterans hospitals, agreements with Philippines regarding, 176

Medical delegations, agreement with Soviet Union for reciprocal exchange of, U.S. progress report on, 391 Menapace, Robert B., 134

Merchant, Livingston T., 800

Meteorology, See Weather

Mexico:

Inauguration of President Lopez Mateos, greetings from President Eisenhower on occasion of, 994, 1012

Special U.N. Fund, views on election of Governing Council members, 706

Treaties, agreements, etc.:

Agricultural commodities, agreements with U.S. amending 1957 agreement, 176, 936

Air transport, agreement with U.S. amending the memorandum of understanding of the provisional agreement, 592

Sugar, protocol amending 1953 agreement, 636

Television, agreement with U.S. for allocation of ultra-high-frequency channels, 260

Universal postal convention (1957), 403

Micronesia. See Pacific trust territories: Pacific Islands Middle East situation:

Addresses, remarks and statements: Barco, 88, Department, 650; Dulles, 8, 10, 104, 105, 106, 240, 265, 266, 267, 268, 269, 270, 271, 272, 308, 376, 409, 493, 526, 737, 811; Eisenhower, 181, 183, 337, 342; Fanfani, 287; Herter, 494; Lodge, 88, 90, 186, 189, 191, 193, 196, 197, 198, 449; Murphy, 651, 652, 879, 1043; Nkrumah, 283, 286; White House, 231; Wilcox, 506

Correspondence, joint communique, and messages: Bayar, 183; Chamoun, 236; Dulles, Adenauer, 281; Eisenhower, 182, 220, 229, 233, 235, 274, 281; Khrushchev, 231, 234, 275, 342, 369, 500; Kubitschek, 282; Mirza, 183; Pahlavi, 183

Baghdad Pact ministerial meeting, views on, text of communique, 273

General Assembly, 3d emergency session, actions and efforts in:

Acceptance of proposal for, letters (Eisenhower, Khrushchev), 342

Arab resolution, statement (Dulles), 409, 411 (text) U.S. program for the Middle East, proposed, address (Eisenhower), 337

German-U.S. exchange of views regarding, joint communique (Dulles, Adenauer), 281

Heads of Government meeting to discuss, proposed:

Attendance of General de Gaulle, statement (Dulles), 271

Brazilian support of proposal for, letter (Kubitschek), 281

French views regarding, 276, 277

Ghanaian views regarding, 283, 286

Indirect aggression, question of discussion of, statements (Dulles), 229, 265, 266, 267, 268, 274

Negotiations regarding, letters and statements: Dulles, 265, 266, 267, 268, 271; Eisenhower-Khrushchev, 229, 274, 369

Participants, question of, 268, 275, 277

Italian-U.S. exchange of views regarding, joint statement (Eisenhower, Fanfani), 287

Middle East situation—Continued

Security Council actions and efforts in:

Complaint by Lebanon of U.A.R. intervention, statements: Barco, 88; Lodge, 88, 90, 186, 189, 191, 193, 196, 197

Dispatch of U.N. Observation Group to Lebanon, statement (Dulles) and text of resolution, (text) 90, 105

Draft resolutions:

Japanese, 198, 199

Soviet Union, 190, 191n

U.S., 189, 193, 197, 198

-6th U.S. Fleet, use of, letters and statement: Dulles, 10; Khrushchev, 231, 500; Pahlavi, Mirza, Bayar, 183

Soviet position, letters and statements: Eisenhower, 230; Khrushchev, 231, 234, 275, 342; Lodge, 90, 190, 191, 193, 197

Travel in Middle East, State Department advises against, 199

U.K. dispatch of troops to Jordan, U.S. and Soviet views regarding, correspondence and statements: Dulles, 409, 410; Eisenhower, 229; Khrushchev, 231, 232, 234; Lodge, 193

U.N. efforts for peace in, address (Wilcox), 506

U.N. Observation Group in Lebanon. See Observation Group

"U.S. Armed Forces, dispatch to and withdrawal from Lebanon, addresses, letters, messages, remarks, and statements: Bayar, 183; Department, 650; Dulles, 106, 267, 271, 272, 409, 410, 493, 526, 811; Eisenhower, 181, 183; Khrushchev, 276, 342; Lodge, 186, 196, 197, 449, 588, 629; Mirza, 183; Murphy, 652; Fahlavi, 183

*U.S. position, addresses, letters, and statements: Dulles, 8, 10, 104, 105, 106, 240, 308, 376, 526, 811; Eisenhower, 181, 183, 229, 230; Herter, 494; Lodge, 449; Murphy, 651, 652, 879, 1043; Wilcox, 507

U.S. recognition of Iraqi Government, effect of, statement (Dulles), 270

Military assistance (see also Military missions, Mutual defense, and Mutual security):

Agreements providing military equipment, materials, and services, with: Burma, 222; Indonesia, 384, 404; Malaya, 675

Assistance to Federal Republic of Germany, agreement regarding loan of naval vessels to, 848

China, Republic of. See Taiwan Straits situation

Lebanon. See Middle East situation

Soviet-bloc activities, article (Wright), 922

U.S. program:

Draper Committee to study, 950, 954

Exchange of views on, President Eisenhower and Senate Foreign Relations Committee, letters, 546

Military bases, U.S.:

Contributions of allies for, address (Smith), 380

Cuba, withdrawal of U.S. Marine guard from Guantanamo Naval Base in, 282

Philippines, agreement relating to Manila Air Station, 404

Soviet views on, 97, 972, 981

Military equipment, materials, facilities, and services, use of foreign currencies for procurement of, 426, 429, 430

Military missions, U.S., agreements for, with: Brazil, 1075; Haiti, 892; Jordan, 654

Military obligations in cases of dual nationality, protocol (1930) relating to, 403

Military program, U.S. See Mutual defense, Mutual security, and National defense

Mills, Rep. Wilbur D., 133

Mirza, 1skander, 183

Missiles, U.S. supply of sidewinder guided missiles to Republic of China, statement (Dulles), 600

Monaco, universal postal convention (1957), 403

Monetary Fund, International, See International Monetary Fund

Money orders, international, agreement with U.A.R. for exchange of, 1076

Montgomery, Edward P., 519

Moore, John Bassett, 494

Moore, Ross E., 892

Morgan, Thomas E., 379

Morocco:

1BRD, membership, 633

Treaties, agreements, etc.:

Economic, technical, and related assistance, agreement supplementing 1957 agreement with U.S., 41

Transportation by air, international, convention (1929) for unification of certain rules relating to and protocol, 223

Universal postal convention (1957), 403

U.S. Ambassador, confirmation, 223

Morse, Sen. Wayne, 547

Muller, Willard C., 760

Murphy, Franklin David, 422

Murphy, Raymond E., 440

Murphy, Robert, addresses, remarks, and statement:

Academic training and diplomacy, 690

The Bases of Peace, 740

International communism, strategy of, 1043

Passport legislation, proposed, 251

Rule of law, comparison of U.S. and Soviet respect for, 651

U.S. foreign policy, 141, 874, 905

Mutual defense assistance agreements (see also Military missions), with:

Japan, agreement for Japanese financial contributions, $592\,$

Norway, agreement amending annex C of 1950 agreement, 592

Mutual Defense Assistance Control Act of 1951 (Battle Act), embargo list revised, 392, 467

Mutual defense treaties and agreements (see also ANZUS Conneil, Baghdad Pact, Collective security, Mutual security, National defense, North Atlantic Treaty Organization, and Southeast Asia Treaty Organization):

Canada, U.S.-Canadian Committee on Joint Defense, agreement for establishment, 208, 555

China, Republic of, U.S. defense treaty with. See Taiwan Straits situation; U.S. decision to aid

Japan, question of revision of U.S. security treaty with, 487, 532

Philippines, mutual defense pact with, joint statement (Eisenhower, Gareía), 120

Mutual defense treaties and agreements—Continued

U.K., agreement on mutual defense purposes of atomic energy with, 157, 161 (text), 310, 331

Mutual security and other assistance programs (see also Agricultural surpluses, Collective security, Economic and technical aid, Military assistance, and Mutual defense):

Addresses and statement: Dulles, 3; Eisenhower, 103; Murphy, 143; Smith, 380; Wilcox, 27

Administration and coordination of (see also International Cooperation Administration), State Department, 111, 532, 1076

Africa, address (Satterthwaite), 646

Defense support. Sec Defense support

Development Loan Fund. Scc Development Loan Fund Draper Committee to study, 547, 950, 954

Exemption of certain functions from restrictive provisions of law, Executive order, 664

Financial aid for medical training center in Berlin, 913 Investment guaranty program. See Investment guaranty program

Latin America, article (Lederer, Culbertson), 314 1959 program:

Analysis of, address (Smith), 380

Appropriations for, letters and statements: Dillon, 243; Dulles, 104, 107, 239, 811; Eisenhower, 103, 546; Senate Foreign Relations Committee, 547, 548

Pictorial exhibit on, 3n

President's 13th semiannual report to Congress on (July 1–Dec. 31, 1957), excerpts, 81

Role of private enterprise in advancing purposes of, proposed study of, 716, 970, 1059

NAC. See North Atlantic Council

Nagy, Imre, 6, 7

Narcotic drugs. See Drugs

National Aeronautics and Space Act of 1958, statement on signing (Eisenhower), 327

National defense and security (see also Collective security, Mutual defense, and Mutual security):

Maintenance of, address (Dulles), 903

Passport issuance to Communists, danger to, address (O'Connor), 882, 884

Trade agreements legislation, provisions regarding, articles: Catudal, 1054, Kallis, 544, 1054

The United Nations and National Security, address (Cargo), 725

U.S. policy of, international aspects, address (Herter), 1037

National exhibits, announcements and agreement regarding exchange of with Soviet Union, 577, 696

National Science Foundation, coordinator of Federal science information activities, 1049

Nationalism:

Africa, growth in, address (Satterthwaite), 641

Arab, U.S. position toward, statements: Dulles, 269; Lodge, 192, 195

Asian, features of, address (Cumming), 945

Problems arising from development of, address (Wilcox), 24, 25

Soviet use of, statements (Dulles), 62, 239, 240

Nationalism-Continued

Trend of Soviet policies toward, statement (Dulles), 768

Nationality, dual, protocol (1930) relating to military obligation in cases of, 403

NATO, See North Atlantic Treaty Organization

Nauru, Trust Territory of, progress in, statement (Marian Anderson), 1029

Naval vessels. See Ships

Navigation, friendship, and commerce treaties, provisions for protection of private foreign investment, address and statement; Beale, 967; Dillon, 1058

Navigation (see also Aviation and Safety at sea); agreement with Nicaragua for establishment of a Loran transmitting station, 555

Near and Middle East (see also Middle East situation and individual countries):

Arab-Israeli dispute, article (Ludlow), 775, 776

Arab states. Sec Arab states.

Collective security. See Baghdad Pact and League of Arab States

Economic development in, address and statement: Burns, 469; Dulles, 737

Italian relations with, address (Zellerbach), 960

Oil, need for Western markets, statement (Dulles), 737

Prevention of disease in, address and statement: Eisenhower, 340; Smith, 382

Refugee problem. See under Refugees

Soviet policy in, article and statements: Dillon, 245; Dulles, 240; Lodge, 192; Wright, 923

Suez Canal problem. Sec Suez Canal

U.S. policy in, address (Murphy), 879

Visit of Assistant Secretary Rountree, 1004

Nepal:

Ambassador to U.S., credentials, 767

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554 Universal postal convention (1957), 403

Netherlands:

Dairy products, U.S. import restrictions on, 934

Renegotiation of tariff concessions under GATT, 215

Special U.N. Fund Governing Council, election of memhers, views on, 706, 707

Treaties, agreements, etc.:

Air navigation services in Faroe Islands, Greenland, and Iceland, 1956 agreements on joint financing of, 87

Continental shelf, convention on, 892

Cultural property, 1954 convention and protocol for protection in event of armed conflict and regulations of execution, 1031

Disputes, compulsory settlement of, optional protocol concerning, 892

Fishing and conservation of living resources of high seas, convention on, 891

GATT, protocols amending, 555, 936

Netherlands—Continued

Treaties, agreements, etc.—Continued

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

German external debts, agreement on, 518

High seas, convention on, 891

Territorial sea and contiguous zone, convention on, 891

Universal postal convention (1957), 403

Neutralism, Ghanaian policy of, addresses: (Nkrumah), 284,285

New Guinea, Trust Territory of:

Exchange of parcels with U.S., agreement (U.S.-Australia) for, 715

Progress in, statement (Marian Anderson), 1029

New Zealand:

ANZUS Council meeting, 612

Import restrictions, reduction, 931

Renegotiation of tariff concessions under GATT, 215

Treaties, agreements, etc.:

Continental shelf, convention on, 848

Disputes, compulsory settlement of, optional protocol concerning, 848

Fishing and conservation of living resources of high seas, convention on, 848

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

High seas, convention on, 848

International carriage by air, protocol amending 1929 convention for unification of certain rules relating to, 175

Nonimmigrant visas, agreement modifying agreement with U.S., 134

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

Trust Territory of Western Samoa, progress in, statement (Marian Anderson), 1029

Newsmen, U.S.:

In Soviet Union, censorship of, address (Berding), 57 Travel to Communist China, question of issuing passports for, statement (Dulles), 685

Nicaragua:

Loran transmitting station, agreement with U.S. for establishment, 555

Polio outbreak in, U.S. aid to combat, address (Smith), 382

Sugar, protocol amending 1953 agreement, 848

Universal postal convention (1957), 403

Nigeria, Federation of:

Developments in, address (Satterthwaite), 644, 645 Visit of U.S.-U.K. scientific panel, 782

Nikezie, Marko, 767

Nixon, Richard M., 131, 285, 1042

Nkrumah, Kwame, 283, 642

Non-Self-Governing Territories (see also Self-determination and Trust territories), U.N. Committee on Information from, address (Satterthwaite), 644

North Atlantic Council:

Foreign Ministers spring meeting, acceptance of U.S. invitation to meet in Washington, 570

North Atlantic Council-Continued

Paris meeting:

Departure statement (Dulles), 1040

Soviet note regarding, Department statement on, 1042 U.S. delegation, 1041

North Atlantic 1ce Patrol, agreement regarding financial support of, 223

North Atlantic ocean stations, rescues in 1957 by weather ships, 885

North Atlantic Treaty Organization (see also Atlantic Community and North Atlantic Council):

Addresses: Dultes, 571; Spaak, 607

Canadian role in, remarks and statement (Dultes), 66, 765

Developments in, excerpts from President's report to Congress, 83

Establishment and effectiveness, addresses: Cargo, 728, 729; Murphy, 1046

Italian role in, address and statement: Dulles, 949; Zellerbach, 959

Liaison with OAS, question of, statement (Dulles), 771 National representatives and international staff, agreement (1951) on status of, 296

Role in U.S. foreign policy, address (Murphy), 142 Soviet views on German participation, statement (Dulles), 65

Northwest Atlantic Fisheries:

International Commission for the, appointment of U.S. commissioner, 936

Protocol to international convention for, 403

Norway:

Draft resolution on Middle East situation, 409

Treaties, agreements, etc.:

Air transport services, agreements with U.S., 174, 175, 223

Double taxation on income, convention with U.S. supplementing 1949 convention for avoidance of, 176 GATT, declaration extending standstill provisions of

article XVI: 4, 984
GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

Property, rights and interests in Germany, charter of Arbitral Commission on, 983

Mutual defense assistance, agreement amending 1950 agreement with U.S., 475

Universal postal convention (1957), 403, 636

Nucker, Delmas H., 165

Nuclear energy. Sec Atomic energy

OAS. See Organization of American States

Observation Group, U.N., in Lebanon:

Address and statements: Barco, 88; Dulles, 105; Lodge, 88, 187, 189, 193, 194, 198; Wilcox, 997

Security Council resolution, text, 90

O'Connor, Jeremiah J., 368

O'Connor, Roderic L., 880

Office of Defense and Civitian Mobilization, duties under national security provision of trade agreements legistation, 544

Oit, Middle East:

Importance to Middle East economic development, address (Burns), 473

Need for Western markets, statement (Dultes), 737

Onomastic sciences, U.S. delegation to 6th Congress, 399 "Operation Pan America." See Inter-American cooperation

Opium, protocot (1953) regulating production, trade, and use of, 134, 518

Opium and other drugs, convention (1912) relating to suppression of abuse of, as amended, 175, 260

Organization for European Economic Cooperation, aid to Turkey, 323

Organization of American States:

Address (Dulles), 305, 306

American Foreign Ministers meeting, proposals regarding, text of communique, 575, 576

Liaison with NATO, question of, statement (Dulles), 771 Special Committee, appointment of U.S. representative to, 713

U.S.-Brazit support, text of joint communique, 301 Outer space (see also Satetites, earth-circling):

Control of, address (Becker), 416

Disarmament aspects of, statement (Lodge), 750

Legal questions regarding, address (Rogers), 537

Peacefut uses of:

Soviet position, address (Wilcox), 999

Summit meeting, proposed, agenda item, Western and Soviet positions, 14, 16, 19

U.N. consideration of:

Senator Johnson to speak for U.S., statement (Dultes), 868

U.S. views and proposals, statements; Johnson, 977; Lodge, 972, 974, 980

U.S. proposal for international cooperation in, addresses: Cargo, 730; Dultes, 528, 900; Lodge, 450; Wilcox, 510, 999

Pacific trust territories:

Nauru, developments in, statement (Marian Anderson), 1029

New Guinea:

Exchange of postal parcels with U.S., agreement (U.S.-Australia) for, 715

Progress in, statement (Marian Anderson), 1029

Pacific Islands:

Report on U.S. administration, statement (Nucker), 165

Universal postat convention (1957), extension to, 404 Western Samoa, progress in, statement (Marian Anderson), 1029

Pact of mutual cooperation. See Baghdad Pact

Pact of the League of Arab States, 410, 411, 686

Pahlavi, Mohammad Reza, 153, 183

Pakistan:

DLF loan to, 156

Smallpox epidemic in, U.S. aid to combat, address (Smith), 382

Soviet-bloc credits to, article (Wright), 922

Support of U.S. action in Lebanon, 183

Treaties, agreements, etc.:

Agricultural commodities, agreement with U.S., 1076 Continental shelf, convention on, 892

Disputes, compulsory settlement of, optional protocol concerning, 984 Pakistan--Continued

Treaties, agreements, etc.—Continued

Double taxation on income, convention with U.S. for the avoidance of, 176

Fishing and conservation of living resources of high seas, convention on, 891

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

High seas, convention on, 891

IMCO, 1948 convention on, 1075

Territorial sea and contiguous zone, convention on, 891 Universal postal convention (1957), 403

U.S. consulate at Peshawar opened, 476

Visit of Under Secretary Dillon, 532

Palestine refugee problem, U.S. and U.N. efforts to solve, address and statement: Hickenlooper, 798; Ludlow, 775

Palmer, Joseph, 2d, 476

Pan American Railway Congress Association, appointment of U.S. National Commission, 822

l'an American Sanitary Organization:

Malaria eradication program, U.S. contribution, 290

Pan American Sanitary Conference, U.S. delegation to 15th meeting, 553

Panama (see also Canal Zone):

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554 Universal postal convention (1957), 403

Vessels of Panamanian registry in Canal Zone, agreement extending 1957 agreement with U.S. relating to inspection of, 475

Papau, exchange of parcels with U.S., postal agreement between U.S. and Australia for, 715

Paraguay:

Ambassador to U.S., eredentials, 277

DLF loans, 156, 774

Universal postal convention (1957), 403

Parcel post, agreements with: Australia, 715; Japan, 1076 Parsons, J. Graham, 566

Passports (see also Visas):

Department regulations restricting issuance, Supreme Court decision regarding, statements (Dulles), 7, 110

Legislation authorizing denial to Communists:

Need for, address (O'Connor), 880

Proposed, letter, message, and statement: Dulles, 250; Eisenhower, 250; Murphy, 251

Question of issuance for travel by newsmen to Communist China, statement (Dnlles), 685

Patents

Protection of, diplomatic conference for revision of international convention for protection of industrial property, U.S. delegation to, 635

Rights and information, U.S.-EURATOM agreement for cooperation, provisions regarding, 77

Peace:

Addresses and remarks: Dulles, 373, 525, 561, 897, 902; Eisenhower, 481; Herter, 491; Mnrphy, 740; Smith, 380

"Peaceful coexistence," General Assembly approval of rewording of agenda item relating to, 590

Peace force, U.N. Sce United Nations peace force

Peace treaty, German, 4-power exchange of views on, texts of aide memoire and notes, 613

Peaceful settlement of disputes. See Disputes

Penfield, James K., 476

"Peril-point" provisions of trade agreements legislation, articles: Catudal, 1050, 1051; Kallis, 543

Peru:

IBRD loan, 628

Treaties, agreements, etc.:

Agricultural commodities, agreements amending 1957 and 1958 agreements with U.S., 475, 760

Air transport services, agreement amending annex to 1946 agreement with U.S., 176

Continental shelf, convention on, 892

Sugar, international agreement (1953), with protocol amending and annex, 892

Universal postal convention (1957), 403

U.S. consular agencies in, opening and closing, 224, 892 Pescadores. Sec Taiwan Straits situation

Philippines:

IAEA, statute, 475

Manila Air Station, agreements with U.S. relating to, 404

President, visit to U.S., 120

Universal postal convention (1957), 403

Veterans hospitals and medical care, agreements with U.S. regarding, 176

Phillips, Christopher II., 351, 704, 707, 831

Phleger, Herman, 294

Pickering, Ernest, 260

Plate, Juan, 277

Poland:

Berlin question, effect of Soviet position on Polish territorial claims, statement (Dulles), 952

Nuclear test suspension, Geneva meetings on. Scc Geneva conference of experts and Geneva meeting to negotiate

Salk vaccine, purchase from U.S., 659

Summit meeting attendance, Soviet position on, 22

Treaties, agreements, etc.:

Agricultural commodities, agreement amending agreement with U.S., 87

Continental shelf, convention on, 892

High seas, convention on, 891

Road traffic, 1949 convention on, 1075

Universal postal convention (1957), 403

U.S. cotton exhibit at Poznan, 429

Polatkan, Hasan, 533, 534

Poliomyelitis (Salk) vaecine, U.S. shipments overseas, 659, 699

Ponce Enriquez, Camilo, 209

Ponomarev, Boris, 1043

Porter, Dwight J., 224

Portugal:

Treaties, agreements, etc.:

Continental shelf, convention on, 848

Disputes, compulsory settlement of, optional protocol concerning, 848

Fishing and conservation of living resources of high seas, convention on, 848

German assets in Portugal and certain claims regarding monetary gold, agreement on, 936

High seas, convention on, 848

Road vehicles, private, 1954 customs convention on temporary importation of, 848

Territorial sea and contiguous zone, convention on, 848

Touring, 1954 convention concerning customs facilities for, 847

Universal postal convention (1957), 403

U.S. Ambassador, appointment, 800

Postal agreements:

Air post office at Manila Air Station, agreement with Philippines for relocation of, 404

Money orders, international, agreement with U.A.R. for exchange of, 1076

Parcel post, agreements with: Australia, 715; Japan, 1076

Postal convention (1957), universal, 403, 636

Potsdam agreements, relationship to German question, 806, 950, 952, 1046

Poultry Congress, 11th World's, U.S. delegation to, 401 President's Science Advisory Committee, 1049, 1050

Press releases, reciprocity for distribution in Soviet Union, text of U.S. note regarding, 321

Prisoners of war:

Geneva convention (1949) on treatment of, 555, 848, 1075

Soviet failure to return, address (Herter), 806, 807

Private capital, investment abroad. See Investment of private capital

Private enterprise, role in advancing U.S. foreign policy objectives, study proposed on ways of expanding, 716, 970, 1059

Proclamations by the President:

Cotton, long-staple, import quota modified, 214

General Pulaski's memorial day, 658

Hatters' fur, reduction of import duty, 392

Human Rights Week, 1958, 917

Lead and zinc, imposition of import quotas on, 580 United Nations Day, 1958, 30

Visit the United States of America Year, 613

Propaganda, Communist:

Addresses: Berding, 55, 955; Dulles, 563, 685, 866; Elbrick, 695

U.S. efforts to combat, addresses: Berding, 60; Cargo, 728; Wilcox, 27

Propaganda, inflammatory propaganda in the Middle East, proposed U.N. action regarding, addresses; Dulles, 526; Eisenhower, 339

Property, cultural, convention (1954) and protocol for protection in event of armed conflict, and regulations of execution, 759, 1031 Property, industrial, diplomatic conference for revision of international convention (1934) on, U.S. delegation, 635

Property, rights and interests in Germany, charter of Arbitral Commission on, 41, 983

Protection of U.S. citizens abroad. Sec United States citizens

Public Information, Expert Committee on U.N., 1066, 1069 Public opinion (see also Propaganda), influence on U.S. foreign policy, statements (Dulles), 598

Publications:

Congressional documents relating to foreign policy, lists of, 38, 80, 164, 249, 327, 368, 396, 440, 518, 549, 699, 782, 929, 1019

GATT, Trends in International Trade, a Report by a Panel of Experts, General Agreement on Tariffs and Trade, Geneva, October 1958, report published, 714, 930n

Scientific, U.S. program to supply to scientists and engineers, 1049

State Department:

Disarmament, The Intensified Effort, 1955-1958, published, 331

Foreign Relations of the United States, 1941, Volume I. General, The Soviet Union, 41

Lists of recent releases, 42, 332, 404, 519, 555, 676, 760, 800, 892, 936, 984, 1032, 1076

The Sino-Soviet Economic Offensive in the Less Developed Countries, 31

Translation, publication, and distribution of, use of foreign currencies for, 435

United Nations, lists of current documents, 329, 402, 590, 673, 755, 800, 847, 982, 1030, 1075

Pulaski, Gen. Casimir, 658

Quemoy and Matsu Islands. See Taiwan Straits situation

Rabb, Maxwell M., 401, 888

Racial conflict in Africa:

Address and statements: Harrison, 842; Salomon, 840; Satterthwaite, 645

General Assembly resolution, 844

Radiation, atomic. See Atomic energy, radioactive fallout

Radio. See Telecommunications

Railway Congress Association, Pan American, appointment of U.S. National Commission, 822

Rawinsonde observation stations, establishment and operation of, agreement with Chile extending 1957 agreement, 1031

Reciprocity Information, Committee for, 349, 1019

Reconstruction and Development, International Bank for. See International Bank

Reed, Henry C., 331

Refugees and displaced persons:

Arab, U.S. and U.N. efforts to solve problem of, address and statement: Hickenlooper, 798, Ludlow, 775

Chinese, visas issued for admittance to U.S., 497

East German, flight to West Germany, statement (Lodge), 588

Hungarian, U.S. aid, 912

ICEM assistance to, article (Warren), 255

Refugees and displaced persons—Continued

U.N. High Commissioner's program for, U.S. contribution to, statement (Hickenlooper), 799

Universal copyright convention (1952), protocol 1 concerning application of convention to works of stateless persons and refugees, 983

Regional development institutions, proposed. See Development institutions

Regional planning in relation to urbanization and industrialization, U.N. seminar on, designation of U.S. representative, 260

Reinhardt, G. Frederick, 514

Relief and rehabilitation. See Agricultural surpluses, Cooperative for American Relief Everywhere, Economic and technical aid, Refugees, and individual countries

Relief and Works Agency for Palestine Refugees, U.N.: Efforts of, address (Ludlow), 776, 778, 779, 780

U.S. contributions to, statement (Hickenlooper), 798

Relief supplies and packages, duty-free entry and exemption from taxation of, agreement with Haiti, 555

"Renunciation of force" principle, discussions at Warsaw ambassadorial talks regarding Taiwan Straits. See Warsaw ambassadorial talks

Research and development:

1AEA program, U.S. proposal for, remarks (McCone), 670, 671

Industrial, ICA program, 1063

NATO program, excerpts from President's report to Congress, S3

U.S.-EURATOM joint program, 76

Rhodesia and Nyasaland, Federation of:

GATT:

Consultations on import restrictions, 349

Declaration extending standstill provisions of article XVI:4, 984

7th protocol of rectifications and modifications to texts of schedules, 936

ICA liaison officer at Salisbury, designation of, 519

U.S. consul general to Salisbury, designation of, 476

Rice Commission, International, rules of procedure and amended constitution, 782

Risden, Brig. Gen. Richard A., 651

Road traffic, convention (1949) on, with annexes, 260, 675, 759, 847, 1075

Road vehicles, private, customs convention (1954) on temporary importation of, 331, 591, 848, 936

Rogers, William P., 151, 536

Rountree, William M., 1004

Ruanda-Urundi, Trust Territory of:

Opium, 1953 protocol regulating production, trade, and use of, 518

Progress toward independence, address and statement: Marian Anderson, 1029; Satterthwaite, 644

Rubottom, Roy R., Jr., 654

Rumania:

Nuclear test suspension, Geneva meetings on. Sec Geneva conference of experts and Geneva meeting to negotiate

High seas, convention on, 891

Territorial sea and contiguous zone, convention on, 891

Universal postal convention (1957), 403

Ryukyu Islands, exchange of views on land problem of, joint statement (Dulles, Fujiyama), 533

Saccio, Leonard J., 440

Safety at sea:

International load line convention (1930), 675

North Atlantic Ice Patrol, agreement regarding finaneial support for, 223

North Atlantic ocean stations, rescues in 1957 by weather ships, 885

Regulations (1948) for preventing collisions at sea, 675 Safety of life at sea, convention (1948) on, 675

St. Lawrence River, IJC report on activities to improve navigation on, 773

St. Lawrence Seaway Development Corporation, direction and supervision of, Executive order, 213

St. Stephen's Day, 1958, 397

Salk vaccine, U.S. shipments overseas, 659, 699

Salomon, Irving, 294, 840

Salvage at sea, convention for unification of certain rules relating to, 555

Samon, Western, Trust Territory of, progress in, statement (Marian Anderson), 1029

San Marino:

Public works projects, U.S.-Italy commitment to aid, 928

U.S. donation of Salk vaccine, 699

Universal postal convention (1957), 403

Sanitary conference, Pan American, U.S. delegation to 15th meeting, 533

Satellites, earth-circling:

 $1\mathrm{GY}$ relationship to satellite program, address (Becker), 418

Soviet propaganda implications, address (Berding), 55, 60

Satterthwaite, Joseph C., 476, 641

Saudi Arabia:

1BRD, membership, 633

Universal postal convention (1957), 403

Scholarships, Board of Foreign, appointment of members to, 913

Science Advisory Committee, President's, 1049, 1050

Science and technology (see also Atomic energy, International Geophysical Year, Outer space, and Weather):

Cooperation in science:

Antarctica, U.S. proposal regarding and U.S.-Argentine joint announcement, 210, 899

NATO progress, 83, 610

Education. See Education

Exchanges with Soviet Union. See Exchange agreement Importance to less developed countries, remarks (Mansfield), 703

Information:

Coordination of U.S. activities, 1049

Export of, regulations removing from State Department jurisdiction over, 970

Research and development, Ser Research and development

Science officer program, State Department, appointments, 1048

Soviet activities and developments, 241, 249, 578, 955

Science and technology—Continued

U.S.-U.K. scientific panel visit to Africa, 782

UNESCO activities, U.S. suggestions regarding, address (Rabb), 890

Use of foreign currencies to finance scientific activities, 423

Sea, law of the, conventions and protocol regarding, 554, 675, 782, 848, 891, 984

Seaport improvement, DLF loan to Malaya for, 290 Sears, Mason, 844

SEATO. See Southeast Asia Treaty Organization

Secretary of State:

Administration of immigration laws, address (Auerbach), 621

Executive order designating officers to act as, 1031

Passport issuance, control over, address (O'Connor), 880, 881

Security, collective. See Collective security

Security, national. See National defense and security Security Council:

Chinese membership, U.S. views, 388

Documents, lists of, 329, 402, 673, 755, 982, 1030

Middle East situation, actions and efforts in. See under Middle East situation

Summit meeting at, proposed. Sec Middle East: Heads of Government

Taiwan Straits situation, question of submission to, statement (Dulles), 489

Veto power, Soviet abuse of, 198, 199, 529, 902, 957, 996 Self-determination:

Ghanaian support of, address (Nkrumah), 284 U.S. position, address (Lodge), 451

Seppala, Richard Rafael, 653

Serrano Palma, José, 199

Shah, Rishikesh, 767

Shelton, Turner B., 289 Sheppard, William J., 519

Shihmen Dam, U.S. aid to Republic of China for construction of, 928

Ships and shipping:

Danish ships requisitioned by U.S. in World War II. agreement with Denmark for settlement of claims, 440, 474

IMCO convention, 296, 1075

Law of the sea, conventions and protocol regarding, 554, 675, 782, 848, 891, 984

Load line convention, international, 675

Loan of U.S. naval vessels, agreements with: France, 475; Germany, Federal Republic of, 848; Turkey, 760

Panamanian registered vessels in Canal Zone, agreement extending 1957 agreement with U.S. relating to inspection, 475

Safety at sea. Sec Safety

Salvage at sea, convention for unification of certain rules relating to, 555

Soviet ship Vityaz to call at U.S. ports, 578

Tonnage certificates, agreement with Yugoslavia regarding reciprocal recognition of, 87

U.S. naval ships in Taiwan Straits. See under Taiwan Straits situation

Shrimp conservation, convention with Cuba regarding, 440

Sihanouk, Prince Norodom, 577

Sino-Soviet Economic Offensive in the Less Developed Countries, The, published, 31

Sisco, Joseph J., 331

Smith, Sen. H. Alexander, 548

Smith, J. H. Jr., 380, 782, 1060

Smith, Sydney, 204, 209

Social and economic programs of the U.N. and specialized agencies, statement (Kotschnig), 360

Somaliland, Trust Territory of:

Designation of ICA representative, 760

Progress toward independence, address and statement: Marian Anderson, 1029; Satterthwaite, 643

U.S. mutual security assistance to, excerpts from President's report to Congress, 86

Universal postal convention (1957), 403

Song In-sang, 693

South Africa, race conflict in, statement (Harrison) and text of General Assembly resolution, 842

South Africa, Union of:

GATT. 7th protocol of rectifications and modifications to texts of schedules, 936

Racial policies, statement (Harrison) and text of General Assembly resolution, 842

Universal postal convention (1957), 403

South and Southeast Asia. See Asia

South-West Africa, U.S. views regarding, statement (Salomon) and texts of General Assembly resolutions, 840

Southeast Asia Treaty Organization:

Developments in, excerpt from President's report to Congress, 84

4th anniversary, statement and remarks (Dulles, Eisenhower), 447

Soviet-bloc countries (see also Communism, Soviet Union and individual countries):

Economic and trade offensive. See Less developed countries: Economic offensive

Trade with, U.S. legislative restrictions, 392, 467, 1051, 1054

Soviet Union (see also Byelorussian Soviet Socialist Republic, Communism, East-West contacts, Soviet-bloc countries, and Ukrainian Soviet Socialist Republic):

Arctic inspection zone, Soviet veto of U.S. proposal for. $See\ under\ Surprise\ attack$

Aswan Dam, loan to U.A.R. for, statements (Dulles), 770, 773

Berlin question. Sec Berlin

Challenge to U.S., addresses: Cargo, 726, 727; Wilcox, 24

China, Communist, Soviet position on, addresses, letter, report, and statement: Department memorandum, 388; Dulles, 564, 565, 566; Eisenhower, 482; Khrushchev, 499; Lodge, 586; Maurer, 1009

Cultural and information exchanges with U.S., address, article, and statement: Colligan, 115, 118; Dulles, 107; Rabb, 888

Disarmament. See Disarmament

Economic aid and trade offensive. See under Less developed countries

Soviet Union-Continued

Evaluation of current world trends, article (Ponomarev), 1043

Foreign economic policy, addresses: Dillon, 817; Murphy, 905, 906

Friendship and cooperation, proposal for treaty with U.S. and European states, texts of U.S. and Soviet notes, 462

German reunification. See under Germany

Hungarian question. Sec Hungarian question

Imperialism of, addresses: Kohler, 154; Spaak, 607, 608; Wilcox, 25

International agreements, Soviet violation of, address and remarks: Herter, 806; Murphy, 651

Khrushchev, Nikita. See Khruschchev

Korean question, Soviet obstruction to U.N. efforts to solve, statements (Hickenlooper), 1020, 1021, 1026, 1027

Middle East policy. Sec Middle East situation and under Near and Middle East

Nationalism, Soviet use of, statements (Dulles), 62, 239, 240

Nationalist policy, evolutionary trend toward, statements (Dulles), 768, 769

NATO meeting in Paris, receipt by U.S. of Soviet note concerning, 1042

Negotiations with, U.S. efforts, address and statement (Dulles), 903, 951

Nuclear tests, suspension of:

Agreement on, proposed. Scc Geneva meeting to negotiate

Detection of. See Geneva conference of experts

Soviet views on. See Atomic energy, nuclear weapons: Testing of

Outer space. See Outer space

Press release distribution, U.S. requests reciprocity, Department announcement and text of U.S. note, 321

Propaganda, See Propaganda

Scientific developments of, statements: Dillon, 249; Dulles, 241

Special U.N. Fund, Soviet views on election of Governing Council, statement (Phillips), 706

Summit meetings, proposed. See Summit meeting

Surprise attack, prevention of, Sec Geneva technical talks and Surprise attack

Taiwan Straits situation, Soviet views. See under Taiwan Straits

Threat to free world, statements (Dulles), 61

Trade with. Sec East-West trade

Treaties, agreements, etc.:

Continental shelf, convention on, 892

Cultural, technical, and educational fields, agreement with U.S. for exchanges in. Sec Exchange agreement

High seas, convention on, 848

Northwest Atlantic fisheries, protocol (1956) to the international convention for, 403

Territorial sea and contignous zone, convention on, 848

Universal postal convention (1957), 403

Visa fees for nonimmigrants, agreement with U.S. relating to reciprocal waiver, 1031

Soviet Union—Continued

U.N., Soviet role in, address and statement: Lodge, 790; Wilcox, 995

U.N. mission at New York, demonstrations at, 49, 344

U.N. public information program, Soviet views on dissemination of information, statement (Hiekenlooper), 1070, 1071

U.S. aircraft, Soviet attacks on and charges against. Sec Aviation: Aircraft

U.S. collective security arrangements, refuting Soviet charges against, address and statements: Dulles, 573; Lodge, 972, 981

U.S.-Soviet travel restrictions, U.S. proposal for easing, 384

U.S. weather balloons, Soviet complaint against, texts of notes, 504, 739

Veto in Security Council, abuse of, 198, 199, 529, 902, 957, 996

Vilyaz to call at U.S. ports, 578

Spaak, Paul-Henri, 597, 607

Space and National Aeronautics Act of 1958, statement (Eisenhower), 327

Spain:

IBRD, membership, 836

Travel industry, promotion of, address (John Lodge), 824

Treaties, agreements, etc.:

Agricultural commodities, agreements amending 1958 agreements with U.S., 176, 826, 848

Educational exchange, agreement with U.S., 715, 760 German assets in Spain, protocol terminating obligations arising from 1948 accord, 554

IBRD, articles of agreement, 554

IMF, articles of agreement, 554

Private road vehicles, 1954 customs convention on temporary importation of, 591

Touring, 1954 convention concerning customs facilities for, 591

Universal postal convention (1957), 403

U.S. relations with, address (John Lodge), 963

Visit of Under Secretary Dillon, 532

Spanish Institute, 963

Sparkman, Sen. John J., 547

Special assistance. Sec Mutual security

Special Fund, U.N.:

Establishment:

General Assembly resolution, text, 709

Statements: Mansfield, 702, 708; Phillips, 704, 707 Purposes of, address (Phillips), 835

U.S. pledge for 1958, statement (Mansfield), 708

Specialized agencies, U.N. (see also name of agency), economic and social programs, review of, address and statement: Kotschnig, 360; Phillips, 834

Sputniks, Soviet, propaganda impact of, address (Berding), 955

State Department (sec also Foreign Service and International Cooperation Administration):

Administration of:

Immigration laws, address (Auerbach), 621

Passport controls. See Passports

Advisory Commission on Educational Exchange, appointment to, 422 State Department-Continued

African Affairs:

Assistant Secretary for, confirmation (Satterthwaite), 476

Bureau of, establishment, 475

Appointments and designations, 41, 223, 224, 260, 331, 368, 440, 476, 519, 549, 592, 676, 716, 760, 800, 984, 1076

Cultural exchange program, 20th anniversary of, 291 Director General of the Foreign Service, designation (Galiman), 984

European Affairs, Assistant Secretary for, appointment (Merchant), 800

Foreign Service examination, postponed, 519

Inter-American Affairs, Bureau of, reorganization of, 592

Mail on Taiwan Straits situation, release of, statements (Dulles), 597, 598, 601, 602

Mutual security program:

Administration of, excerpts from President's report to Congress, 82

Consultant to assist study on, appointment (Straus), 716

Publications. Sec Publications

Regulations on international traffic in arms, amended, text, 970

Science officer program, overseas appointments, 1048

Secretary of State, officers designated to act as, text of Executive order, 1031

Security and Consular Affairs, Bureau of, designation of administrator (Hanes), 984

Under Secretary for Economic Affairs, appointment (Dillon), 111

Stateless persons and refugees, protocol 1 concerning application of universal copyright convention (1952) to works of, 983

Status-of-forces agreements:

NATO national representatives and international staff, 1951 agreement, 296

U.N. forces in Japan, 1954 agreement, 223

Straus, Ralph I., 716

Strauss, Lewis L., 400, 634

Student-exchange program. See Educational exchange Stutesman, John H., Jr., 440

Sudan:

Economic, technical, and related assistance, interpretation of certain clauses of 1958 agreement with U.S., 440

IAEA, statute, 330

IBRD, membership, 633

Universal postal convention (1957), 403

U.S. recognition and appraisal of new Government of, Department announcement and statement (Dulles), 913, 952

Suez Canal problem:

Compensation, signing of final agreement for, 349 United Nations action on, 12th annual report to Congress, letter (Eisenhower), 220

Sugar agreement (1953), international, with protocol (1956) amending and annex, 636, 848, 892, 1031

Summit meeting for reduction of international tensions, proposed:

Agenda:

Procedure for review of, Western proposal:

Department statement, 96

List of items, 16

U.S. requests Soviet consideration of, letter (Eisenhower), 95

Western and Soviet proposals, texts of letters, memorandum, and notes, 12, 17, 96, 462

Czechoslovak views on and requests participation in, U.S. reply, texts of notes, 539

German problem, German Federal Republic requests solution by, exchange of correspondence, texts of U.S. and German aide memoire, and U.S. and Soviet notes, 613

Preparatory work for, negotiations regarding, correspondence and statement: U.S. and Soviet aide memoire, 16, 22; Dulles, 6; Eisenhower-Khrushchev, 274

Prospects for, statement (Dulles), 8

Soviet publication of unpublished communications on, Department announcement, 12

U.S. position, addresses and statement: Berding, 956; Dulles, 240; Murphy, 144

Summit meeting on Middle East situation, proposed. See Middle East situation: Heads of Government

Suomela, Arnie J., 673

Supreme Court, U.S., decision regarding passport issuance restrictions. See Passports

Surplus agricultural commodities. See Agricultural surpluses

Surprise attack, prevention of:

Aerial photography, U.S. and Soviet proposals regarding, addresses and correspondence: Becker, 418; Soviet memorandum and notes, 20, 465, 466, 649; Wilcox, 998

Agenda item for proposed summit conference, Western and Soviet positions, 14, 16, 20

Arctic inspection zone, Soviet veto of U.S. proposal for, addresses, remarks and notes: Berding, 956; Dulles, 527, 734, 766, 899; U.S. and Soviet notes, 279, 648

Control posts, Soviet proposal for, 20, 280

Geneva meeting on. See Geneva technical talks on preventing surprise attack

Importance to disarmament, statement (Dulles), 734

U.N. consideration of, statements (Lodge) and texts of Committee I resolutions, 783, 791

U.S.-Canadian views, joint statement (Eisenhower, Diefenbaker), 208

World tensions, importance to easing, statement (Dulles), 63

Sweden:

Ambassador to U.S., eredentials, 199

Nuclear weapons testing, suspension of, U.S. support for resolution cosponsored by, statements (Lodge), 790, 791; text, 792

Treaties, agreements, etc.:

Air transport services, agreements amending 1944 agreement with U.S., 174, 223

Sweden-Continued

Treaties, agreements, etc.—Continued

GATT, declaration extending standstill provisions of article XVI: 3, 981

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

Universal postal convention (1957), 403

U.S. Ambassador, appointment, 800

Switzerland:

GATT, negotiations for provisional participation, 933 Treaties, agreements, etc.:

Continental shelf, convention on, 848

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 848

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, \$48

Universal postal convention (1957), 403

Visit of Under Secretary Dillon, 532

Syria (see also United Arab Republic):

Sino-Soviet economic offensive in, 32

Soviet-bloc military aid to, article (Wright), 922

Universal postal convention (1957), 403

Taiwan Straits situation:

Addresses, announcement, remarks, and statements: ANZUS Council, 612; Department, 415, 576, 650; Eisenhower, 481; Green, 606; Herter, 495, 496, 650; Lodge, 586, 588; Maurer, 1005; Murphy, 652, 877; 1044; White House, 446, 499, 530; Wilcox, 511; U.S.-Japanese, 533

Addresses and statements (Dulles), 445, 485, 486, 487, 488, 489, 490, 491, 492, 525, 565, 573, 598, 599, 600, 601, 602, 603, 604, 650, 681, 682, 683, 684, 685, 686, 687, 688, 722, 769, 771, 1010

Correspondence, joint communique, and memorandum: Department, 385; Dulles, 379; Eisenhower, 498, 605; Green, 606; Khrushchev, 499; Morgan, 379; U.S.-Republic of China, 721

Aggression by Communist China in:

Addresses, remarks, report, and statement: Department, 415; Dulles, 485, 525; Eisenhower, 481; Herter, 495, 496; Lodge, 588; Murphy, 652, 877, 1044

National Security Council meeting at Newport, R.I., on, statements: Dulles, 445; White House, 446

Allies support of U.S. position, question of, letters and statements: Dulles, 489, 491, 686; Eisenhower-Green, 605

ANZUS Council views, agreed announcement, 612

Civil war aspects of, question of, U.S. views, statements (Dulles), 488, 601

Communist cease-fire in:

Announcement, U.S. views, statements (Department, Dulles, Herter), 650, 681

Breaking of, statements (Dulles), 722, 769

Dependability of, statements (Dulles), 602, 603, 685, 686, 769

U.S.-Republic of China exchange of views regarding, statement (Dulles), 604

Effort to keep Congress and public informed on, statements (Dulles), 490

Taiwan Straits situation—Continued

Legal background of, address (Maurer), 1005

Meeting with Chou En-lai on, question of, statements (Dulles), 599, 688

Negotiations at Warsaw to resolve. See Warsaw ambassadorial talks

Republic of China's armed forces on offshore islands: Buildup of, statements (Dulles), 486, 487, 600

Reduction or withdrawal from, question of, statements (Dulles), 602, 681, 682, 683, 687, 771

Secretary Dulles meeting with Foreign Minister Fujiyama, views on, joint statement, 533

Secretary Dulles meeting with President Chiang Kaishek, joint communique and statement (Dulles), 721, 722

Soviet position:

Charge of U.S. aggression in, refuting of, letters and statements: Eisenhower-Khrushchev, 498; Lodge, 586; White House, 499

Report (Eisenhower), 482

U.S. rejection of Soviet note, White House statements, 530

State Department mail on, release of information from, statements (Dulles), 597, 598, 601, 602

Submission to 1CJ or U.N. for settlement, question of, statements (Dulles), 489, 492, 600, 681, 682, 687

3-mile limit, significance of, statements (Dulles), 487, 488

U.A.R. support of Communist China, statement (Dulles), 489

U.S. decision to aid Republic of China in defense of Quemoy and Matsu:

Addresses, letter, and statements: Dulles, 485, 490, 565, 573, 602; Eisenhower, 605; Murphy, 653

Bipartisan support for, statement (Dulles), 486

U.S. naval vessels escort for Chinese supply vessels: Cessation of, Department statement, 650

Question of U.S. action if Communist attack, statements (Dulles), 485, 487

U.S. relief aid, 576

U.S. policy, addresses, letters, remarks, report, and statements: Dulles, 379, 604, 684, 1010; Eisenhower, 481, 605; Murphy, 652, 877; Wilcox, 511

Tanganyika, Trust Territory of, developments in, statements; Marian Anderson, 1029; Satterthwaite, 643

Tariff Commission, U.S. (see also Tariff policy), duties of, 132, 543, 544, 545, 1050, 1055

Tariff policy, U.S. (see also Customs; Tariffs and trade, general agreement on; and Trade agreements):

Cotton, long-staple, proclamation modifying importquota on, 214

Hatters' fur, proclamation reducing duty on imports of, 302

Lead and zinc. See Lead and zinc

President defers investigation of tariffs on imports of bicycles, dried figs, linen toweling, and watch movements, 628

Umbrella frames, President decides against increase in duty on imports of, 627

Wheat, treated seed, veto of bill increasing duty on imports, message (Eisenhower), 395 Tariffs and trade, general agreement on:

Congressional approval of, caveat regarding, 1054

Contracting parties to, 13th session of:

Address (Dillon), 742

Report by U.S. delegation on, 930

U.S. advisers and delegation to, 713, 714

Declaration extending standstill provisions of article XVI:4, 984

Federal Republic of Germany restrictions on coal imports, review of, 578

Organizational amendments to, protocol of, 296, 555

Part 1 and articles XX1X and XXX, protocol amending, 296, 555

Preamble and parts 11 and 111, protocol amending, 296, 936

Procès verbal of rectification concerning protocol amending part I and articles XXIX and XXX, protocol amending preamble and parts II and III, and protocol of organizational amendments, 296

Rectification to French text, protocol of, 296

Rectifications and modifications to texts of schedules, 7th protocol, 936

Renegotiations concluded with: Australia, New Zealand, Austria, Finland, the Netherlands, 215

Supplementary concessions, 6th protocol of, 636

U.S. negotiations with certain contracting parties regarding import restrictions, 349

Taxation:

Agreement with Haiti for exemption of relief supplies and packages from internal taxation, 555

Double taxation, avoidance of. See Double taxation

Incentives to stimulate private foreign investment, remarks and statements: Beale, 967; Dillon, 920, 1058; Smith, 1061

Technical aid to foreign countries. See Economic and technical aid and Mutual security

Technical assistance, U.N. See under United Nations Technical Cooperation, Colombo Plan Council for, U.S.

intention to join, 860 Technical exchange with Soviet Union. See Exchange

Technology. See Science

agreement

Telecommunications (see also Voice of America):

Administrative telegraph and telephone conference, U.S. delegation, 635

Armed forces radio network, agreement with France relating to establishment in Metropolitan France, 518

Loran transmitting station, agreement with Nicaragua for establishment, 555

Radio signals, recording of, use in detection of nuclear tests, 457

Television, agreement with Mexico providing for allocation of ultra-high-frequency channels, 260

TV-radio programs and specialists, exchange with Soviet Union, $392,\,740$

U.N. radio programs, U.S. views on dissemination of, statement (Hickenlooper), 1068, 1069, 1070

U.N. system for monitoring propaganda broadcasts, U.S. proposal for, addresses; Dulles, 526; Eisenhower, 339 Territorial waters:

Convention on the territorial sea and the contiguous zone, 554, 675, 782, 848, 891

Taiwan Straits situation, significance of 3-mile limit in statements (Dulles), 487, 488

U.S.-Canada, IJC report on development of, 773

Textiles, Indian, agreement with Burma providing Indian currency for purchase of, 592

Thailand:

DLF loan, 1065

National Assemblymen, visit to U.S., 693

Treaties, agreements, etc.:

Continental shelf, convention on, 554

Educational exchange programs, agreement amending 1950 agreement with U.S. for financing, 592

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

Thompson, Llewellyn E., 47

Timber Committee (ECE), designation of U.S. delegate to 16th session of, 517

Togoland, Trust Territory of:

Administration by France and proposed independence for:

Addresses and statement: Marian Anderson, 1028; Satterthwaite, 643; Sears, 844

Trusteeship Council resolution, 845

Independence, attainment in 1960, statement (Marian Anderson) and texts of General Assembly resolutions, 1073

Tonnage certificates, agreement with Yugoslavia regarding reciprocal recognition of, 87

Tools, special, agreement with France for transfer of, 1031

Toure, Sekou, 966

Tourism. See Travel, international

Trade (see also Agricultural surpluses; Customs; Economic policy; Exports; Imports; Tariff policy; Tariffs and trade, general agreement on; and Trade fairs):

Arms, international traffic in, U.S. regulations amended, 970

Battle Act controls, revised, 392, 467

Canada, U.S. trade relations with addresses: Dillon, 318, 319, 320; Eisenhower, 206; Elbrick, 695

China, Communist, U.S. restrictions on trade with, 389, 562, 1051, 1054

Commercial treaties, provisions for protection of private foreign investment, address and statement: Beale, 967; Dillon, 1058

East-West trade, Scc East-West trade

Far East, comparison of U.S. and Communist China trade policies in, address and remarks: Dulles, 992; Parsons, 566

Foreign trade policy, U.S., address (Eisenhower), 207 International trade:

Effects of developments in U.S. on, statements: Anderson, 794; Phillips, 354

Trade-Continued

International trade-Continued

Expansion of:

GATT contracting parties proposals for, 930

Importance to economic development, remarks (Eisenhower), 854, 856

Soviet proposal for, 20, 97

U.S. efforts for, addresses, article, and remarks: Dillon, 872, 918, 921; Dulles, 899; Murphy, 908; Wright, 926

Problems affecting, address (Dillon), 742

Role of tourism in, 823

Trends in, GATT report on, published, 930n

Japan, U.S. trade relations with, 533, 665

Latin America, U.S. trade relations with, addresses and article: Dillon, 921; Lederer, Culbertson, 311; Rubottom, 656, 657

Philippines, U.S. trade relations with, address (Garciá), 124, 125

Soviet Union and Soviet-bloc countries. See Less developed countries: Economic offensive

South and East Asia, U.S. trade relations with, address (Dnlles), 561

Relationship to peace, remarks (Murphy), 740

Role in U.S. foreign policy, address (Murphy), 143

Trade agreements legislation. See Trade agreements Trade Agreements Extension Act of 1958:

Approval of, statement (Eisenhower), 396

Escape clause provisions, questions regarding, letters (Eisenhower, Mills), 132

Foreign policy aspects of, statement (Dulles), 34

Principal provisions, summarized, article (Kallis), 542 Trade agreements legislation, a section-by-section analy-

sis, article (Catudal), 1013, 1050

Trade fairs:

Importance of, address (Dulles), 865

U.S. participation in, 393, 428

Trademarks, protection of, diplomatic conference for revision of international convention for protection of industrial property, 635

Travel, international (see also Passports and Visas):

Americans advised against travel in:

Austria, eastern, 422

Lebanon, 31

Middle East, 199

Communist China, question of U.S. newsmen traveling to, statement (Dulles), 685

Importance in international affairs, address (John Lodge), 823

Latin America, U.S. travel in, article (Lederer, Culbertson), 314

Promotion of, U.S. efforts, 291

Road traffic, convention (1949) on, with annexes, 260, 675, 759, 847, 1075

Road vehicles, private, customs convention (1954) on temporary importation of, 331, 591, 848, 936

Touring, convention (1954) concerning customs facilities for, 223, 331, 591, 847, 936

Tourist travel, U.S.-Soviet, U.S. report on exchange agreement with Soviet Union regarding, 392

U.S.-Soviet travel restrictions, U.S. requests reply to proposal for reciprocal easing of, text of note, 384 Travel, international—Continued

Visit the United States of America Year, proclamation, 613

Travel Policy Committee, Interdepartmental, formation of, 291

Treaties, agreements, etc., international (for specific treaty, see country or subject):

Current actions on, 41, 87, 134, 175, 223, 260, 296, 330, 403, 440, 475, 518, 554, 591, 636, 675, 715, 759, 782, 847, 891, 936, 983, 1031, 1075

1mportance of, address (Herter), 805

Trends in International Trade, report published, 714

Trust Territories, U.N. (see also individual territory), progress in, statement (Marian Anderson), 1027

Trusteeship Council, U.N.:

Activities in Africa, 512, 643

Documents, lists of, 330, 403, 800, 847

Report on progress in trust territories, U.S. views, statement (Marian Anderson), 1027

Togoland, resolution recommending independence and end of trusteeship, 845

Trypanosomiasis Research, International Scientific Committee for, designation of U.S. observer to 7th meeting, 400

Tuna Commission, Inter-American Tropical, appointment of U.S. commissioner, 174

Tunisia:

IBRD, membership, 633

Treaties, agreements, etc.:

Continental shelf, convention on, 848

Economic, technical, and related assistance, agreement supplementing 1957 agreement with U.S., 760

Fishing and conservation of living resources of high seas, convention on, 848

High seas, convention on, 848

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

U.S. aid, 86, 156

Visit of U.S.-U.K. scientific panel, 782

Visit of Under Secretary Dillon, 532

Turkey:

Financial assistance to, announcements and joint statements, 322, 533

Soviet-bloc credits to, article (Wright), 922

Support of U.S. action in Lebanon, 183

Treaties, agreements, etc.:

Agricultural commodities, agreements amending 1956 and 1958 agreements with U.S., 176, 404, 1031

GATT, declaration extending standstill provisions of article XVI: 4,984

GATT, 7th protocol of rectifications and modifications to texts of schedules, 936

ICJ, statute of, declaration recognizing compulsory jurisdiction renewed, 554

Loan of vessels, agreement with U.S. relating to, 760 Ownership and use of local currency repayments to DLF, agreement with U.S. relating to, 592

United Nations forces in Japan, agreement regarding status and agreed official minutes, 223

Universal postal convention (1957), 403

Turkey-Continued

U.S. mutual security assistance to, excerpts from President's report to Congress, 85

Visit of Under Secretary Dillon, 532

U.A.R. See United Arab Republic

U.S.S.R. Sec Soviet Union

Ukrainian Soviet Socialist Republic (see also Soviet Union):

Continental shelf, convention on, 892

High seas, convention on, 848

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

Umbrella frames, President decides against increase in import duty on, letters, 627

Underdeveloped countries, See Less developed countries UNESCO. See Educational, Scientific and Cultural Organization, U.N.

Union of South Africa, See South Africa, Union of Union of Soviet Socialist Republics, See Soviet Union United Arab Republic (see also Egypt and Syria):

Ambassador to U.S., credentials, 346

Aswan Dam:

Soviet loan for, statement (Dulles), 770

U.S. aid. question of, statement (Dulles), 773

Circulation of forged document regarding U.S. policy toward, 348

Foreign policy, question of Communist influence on, statement (Dulles), 952

Intervention in Lebanon, Security Council consideration of Lebanese complaint regarding. See under Middle East situation

Money orders, international, agreement with U.S. for exchange of, 1076

Soviet-bloe economic offensive in, article (Wright), 923

Suez Canal, final agreement regarding compensation for nationalization of, 349

Support of Communist China, statement (Dulles), 489 United Kingdom:

African territories:

Progress in, address and statement: Marian Anderson, 1028, 1029; Satterthwaite, 643, 644

Visit of U.S.-U.K. scientific panel, 782

Berlin problem. See Berlin

Coordination of policies and resources with U.S. and France, proposals by General DeGaulle, 814, 1012 Disarmament proposal, Soviet views on, 788

Dispatch of troops to Jordan, See under Middle East situation

Friendship and cooperation treaty, reply to Soviet proposal for, 462

German reunification. See German reunification

Import restrictions:

Chemicals and allied products from dollar area, removal of, 289

GATT consultations, 349

Korean question, transmittal of U.N. Command request for settlement of, announcements and texts of notes, 153, 1003 United Kingdom-Continued

Nuclear test suspension, Geneva meetings on. Sce Geneva conference of experts to study and Geneva meeting to negotiate

Secretary Dulles interview for British TV broadcast, transcript, 733

Summit meetings proposed. See Summit meeting

Surprise attack, prevention of. See Geneva technical talks and Surprise attack

Trade relations with Communist China, 389

Treaties, agreements, etc.:

Atomic energy, agreement with U.S. for cooperation for mutual defense purposes, 134, 157, 310, 330

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Double taxation on income, avoidance of, agreements amending 1945 convention with U.S., 176, 759, 760, 782

Educational exchange program, agreement with U.S. for 5-year extension of, 591, 592

Fishing and conservation of living resources of high seas, convention on, 554

German assets in Portugal and certain claims regarding monetary gold, agreement on, 936

German assets in Spain, protocol terminating obligations arising from 1948 accord, 554

High seas, convention on, 554

Road traffic, 1949 convention with annexes, 260, 759 Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

U.N. public information program, U.S. views on U.K. recommendations, 1071, 1072

Visit of Under Secretary Dillon, 532

United Nations:

Addresses:

The Arab Refugees: Λ Decade of Dilemma for the United Nations (Ludlow), 775

The United Nations: The Road Ahead (Wilcox), 506

The United Nations and American Ideals (Lodge), 448

The United Nations and National Security (Cargo), 725

The United States and the Soviet Union in the United Nations (Wilcox), 995

Budget for 1959, statement (Hickenlooper), 755

Building in Chile, proposed, statement (Hickenlooper), 982

Challenge of indirect aggression to, statement (Lodge), 195

Charter. See United Nations Charter

Disarmament, efforts for. See under Disarmament and Disarmament Commission, U.N.

Documents, lists of, 329, 402, 590, 673, 755, 800, 847, 982, 1030, 1075

General Assembly. See General Assembly

Hungarian question. See Hungarian question

Information activities, public, statements (Hickenlooper), and text of General Assembly resolution, 1066 United Nations-Continued

Invitation to observe U.S. test on reduced fallout, demonstration cancelled, 237

Membership question:

China, U.S. and Soviet positions, addresses, letter, memorandum, and statements: Department, 387;
Dulles, 563, 564, 922; Khrushchev, 502; Lodge, 585; Wilcox, 512

Korea, Republic of, U.S. support, 1025

Middle East situation. See Middle East situation

Outer space, peaceful uses of, $\Gamma.N.$ consideration of, Sec under Outer space

Refugees, aid to. Sec Refugees and displaced persons Role in preservation of peace, address; Dulles, 525; Herter, 805

Secretary-General, 184, 190, 220, 1066

Security Council. See Security Council

Seminar on regional planning in relation to urbanization and industrialization, designation of U.S. representative, 260

Soviet position regarding, address and statement: Lodge, 789, 790; Wilcox, 996

Soviet U.N. headquarters, N.Y., demonstrations before, Soviet aide memoire, letter, and exchange of notes with U.S. regarding, 49, 344

Specialized agencies (see also name of agency), economic and social programs, review of, address and statement: Kotschnig, 360; Phillips, 834

Strengthening of, Western agenda item for proposed summit meeting, 15, 17

Taiwan Straits situation, question of submission for settlement, statements (Dulles), 489, 492, 600, 687

Technical assistance program, expanded:

Address (Phillips), 833, 834

IAEA, possible participation in, 634

Special Fund. See Special Fund

U.S. pledge for 1959, statement (Mansfield), 708

U.S. support for, addresses and remarks; Dillon, 871; Dulles, 528; Eisenhower, 854

Trust territories. See Trust territories and Trusteeship Council

U.S.-Ghanaian support of, statements (Eisenhower, Nkrumah), 283, 284, 285, 286

T.S. participation and support, 26, 218

United Nations Charter:

Article 51, application to control of outer space, address (Becker), 417

Collective security arrangements, provision for, addresses: Dulles, 571; Eisenhower, 337

Objective of, statement (Dulles), 410

Prohibition against use or threat of force and aggression, address (Dulles), 375

U.S. right to aid Lebanon, authority for, statement (Lodge), 487

U.S. support of, address (Dulles), 902

Violations of, 529, 911, 912

United Nations Children's Fund, 732

United Nations Command (Korea), actions regarding Korean question, 152, 781, 1003, 1022, 1021

United Nations Committee on Information from Non-Self-Governing Territories, address (Satterthwaite), 644 United Nations Day, 1958, proclamation and statement (Lodge), 30, 727

United Nations Economic and Social Council, See Economic and Social Council, U.N.

United Nations Economic Commissions, See Economic Commissions

United Nations Educational, Scientific and Cultural Organization. See Educational, Scientific and Cultural Organization, U.N.

United Nations Emergency Force for the Middle East, 220, 325, 326

United Nations Expert Committee on Public Information, 1066, 1069

United Nations Food and Agricultural Organization, See Food and Agriculture Organization, U.N.

United Nations High Commissioner for Refugees, 799

United Nations International Conference on Peaceful Uses of Atomic Energy, 2d, 400, 493

United Nations Observation Group in Lebanon. Sec Observation Group

United Nations peace force, proposed establishment:

Congressional resolution recommending, Department views, statement (Wilcox), 324

U.S. and Soviet positions, addresses: Dulles, 527; Eisenhower, 339, 341; Wilcox, 508, 997

United Nations Relief and Works Agency for Palestine Refugees, See Relief and Works Agency

United Nations Special Fund. See Special Fund, U.N.

United Nations Trusteeship Council, Sec Trusteeship Council, U.N.

United States Atomic Energy Commission, functions regarding proposed U.S.-EURATOM nuclear power program, 70, 71, 76, 77

United States citizens and nationals:

Claims, U.S. Navy Neptune plane case submitted to 1CJ, 420, 698

Employed by U.N., denial of Soviet charges against, statement (Hickenlooper), 1071

Protection of:

Armed forces personnel detained overseas, U.S. efforts for release. See under Armed forces, U.S.

Communist China, detention of U.S. civilians, efforts for release. See Warsaw ambassadorial talks

Cuba, detention of U.S. nationals, statements (Dulles), 104, 109, 110

Middle East situation, U.S. efforts for, 31, 181, 199, 688

Passport restrictions for, address (O'Connor), 881

Travel in certain areas of Austria, Department advises against, 422

Role in U.S. foreign policy, address (Dulles), 904 United States Information Agency:

Designation as coordinator of U.S. exhibit at Gorki Park, 577

Information center to be opened at 80th Canadian National Exhibition, 393

Program to counter Soviet propaganda, address (Cargo), 729

Use of foreign currencies to finance overseas programs, 435

Voice of America. Sec Voice of America

United States Operations Missions, appointments of directors, 176, 223, 368, 716, 892, 984

United States Supreme Court, decision regarding passport issuance restrictions. See Passports

United States Tariff Commission, duties of, 132, 543, 544, 545, 1050, 1055

Universal copyright convention (1952), and protocols 1, 2, and 3, 936, 983

Universal postal convention (1957), 403, 636

UNRWA. See Relief and Works Agency for Palestine Refugees, U.N.

Upton, T. Graydon, 1073

Uruguay:

Health centers in, success of, address (Smith), 382 Treaties, agreements, etc.:

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Territorial sea and contiguous zone, convention on, 554

Universal postal convention (1957), 403

Vaccine, Salk, U.S. shipments overseas, 659, 699

Vatican City. See Holy See

Venezuela:

Ambassador to U.S., eredentials, 346

Treaties, agreements, etc.:

Atomic energy, peaceful uses of, agreement with U.S. superseding 1955 agreement, 673, 675

Continental shelf, convention on, 848

Fishing and conservation of living resources of high seas, convention on, 848

High seas, convention on, 848

Territorial sea and contiguous zone, convention on, 848

Universal postal convention (1957), 403

Vessels. See Ships and shipping

Veterans hospitals and medical care, agreements with Philippines regarding, 176

Veto power in Security Conneil, Soviet abuse of, 198, 199, 529, 902, 957, 996

Viet-Nam;

Emergency relief provided by CARE, address (Reinhardt), 514

Agricultural commodities, agreement with U.S., with memorandum and exchange of notes, 176

Universal postal convention (1957), 403

Visas (see also Passports):

Issuance to fugitives from Communist areas and to Middle East refugees, statements: Department 497; Dulles, 107

Nonimmigrant visas, agreements regarding, with: Finland, 404; New Zealand, 134; Soviet Union, 1031

Nonissuance to Communists, Walter-McCarran Act provision, 884

Role of Foreign Service and State Department in issuance, address (Auerbach), 621

U.S. issuance during 1957 and 1958, tables, 33, 624

Visit the United States of America Year, proclamation, 613

Vityaz, Soviet ship, to call at U.S. ports, 578

VOA. See Voice of America

Voice of America:

Facilities, use for dissemination of U.N. information, statement (Hickenlooper), 1070, 1071

Hungarian charges against, U.S. reply to, text of U.S. note, 912

Jamming of, Soviet efforts, address (Berding), 56, 57 Soviet propaganda, program for countering, address (Cargo), 729

Wadsworth, James J., 294

Wagner, George Corydon, Sr., 517

Wailes, Edward T., 134

Walsh, Edmund A., School of Foreign Service, Georgetown University, dedication ceremonies, remarks (Eisenhower, Murphy), 689

Walter-McCarran Act, visa provisions of, address (O'Connor), 884

Wan Waithayakon, 220

War damage and restitution, Austrian legislation regarding, 619

War risk guaranties, agreement with Austria amending 1952 agreement regarding, 848

War Sequel Law, General, Federal Republic of Germany, provisions regarding filing of claims, 699

War victims, Geneva conventions (1949) for protection of, 555, 848, 1075

Warfare, convention respecting the laws of war on land (1907), 592

Warren, George L., 255

Warsaw ambassadorial talks, U.S.-Communist China:

Negotiations concerning detention and release of U.S. citizens and renunciation of force in Taiwan area, address, letter, report, and statements; Dulles, 106, 109, 488, 492, 598, 600, 603, 604; Eisenhower, 484, 499; Maurer, 1007; White House, 446

Status of negotiations, remarks and statement: Dulles, 599; Murphy, 653

Warsaw Paet, 18, 19, 463, 464

Washburn, Barr V., 260

Watch movements, escape-clause relief held unnecessary on imports of, 628

Water-resources experts, Asian, visit to U.S., 347

Watson, Robert C., 635

Weather:

Balloons, U.S., Soviet complaint regarding flight over Soviet territory, texts of U.S. and Soviet notes, 504, 739

North Atlantic ocean stations, rescues during 1957 by weather ships, 885

Rawinsonde observation station, agreement with Chile extending 1957 agreement for establishment and operation of, 1031

Weber, Eugene W., 773

Welch, Rolland, 676

West African Federation, French, developments in, address (Satterthwaite), 644

Western Hemisphere solidarity, strengthening of. See Inter-American cooperation and unity Western Samoa, Trust Territory of, progress in, statement (Marian Anderson), 1029

Whaling convention (1946), international, amendments to schedule, 759

Wheat:

Emergency relief to Lebanon, 68

Loan to India, agreement amending 1951 agreement regarding, 535

Surplus wheat, U.S. disposal policies, address and statements: Dulles, 66; Eisenhower, 206

Treated seed wheat, President vetoes bill increasing duty on imports of, 395

WHO. See World Health Organization

Wigglesworth, Richard B., 800

Wilcox, Francis O., 24, 259, 324, 506, 995

Wiley, Sen. Alexander, 635

Willoughby, Woodbury, 519

Wise, Watson W., 294

World Bank. See International Bank

World Court, See International Court of Justice

World economic situation, review of, statement (Phillips), 351

World Health Organization:

Alternate U.S. representative, appointment, 839 Malaria eradication campaign, 290, 381, 382, 732, 834 Regional Committee for the Americas, 10th meeting, U.S. delegation, 553

World Trade. See Trade: International trade World's Poultry Congress, 11th, U.S. delegation to, 401 Wounded and sick, Geneva convention (1949) on treatment in time of war, 555, 848, 1075

Wright, Robert B., 922

Yeh, George Kung-chao, 613 Yemen, Sino-Soviet economic offensive in, 32, 922 Yost, Charles W., 223 Youngert, Cole, 662

Yugoslavia:

Ambassador to U.S., credentials, 767

GATT, request for relations with, 933 Hungarian executions, significance to, 7

Resolution on preventing surprise attack, U.S. support. statement (Lodge) and text, 791, 792

Soviet-bloc economic relations with, 32, 924

Treaties, agreements, etc.:

Agricultural commodities, agreements amending agreements with U.S., 176, 592

Continental shelf, convention on, 554

Disputes, compulsory settlement of, optional protocol concerning, 555

Economic aid, agreements with U.S. regarding, 555, 984

Fishing and conservation of living resources of high seas, convention on, 554

High seas, convention on, 554

Road vehicles, private, convention (1954) on temporary importation of, 331

Territorial sea and contiguous zone, convention on, 554

Tonnage certificates, agreement with U.S. regarding reciprocal recognition of, 87

Touring, convention (1954) concerning customs facilities for, 331

Universal postal convention (1957), 403

U.S. aid, 84, 555, 984

Zellerbach, James David, 959 Zimmermann, Robert W., 260 Zinc imports. See Lead and zinc

DEPARTMENT OF STATE

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Vol. XXXIX, No. 993

July 7, 1958

| THE MUTUAL SECURITY PROGRAM: AN EXPRESSION OF OUR FAITH • Address by Secretary Dulles | 3 |
|--|----|
| VITAL IMPORTANCE OF EXTENSION OF TRADE AGREEMENTS ACT • Statement by Secretary Dulles . | 34 |
| SECRETARY DULLES' NEWS CONFERENCE OF JUNE 17 | 6 |
| THE SOVIET CHALLENGE AND AMERICAN EDUCA- TION • by Assistant Secretary Wilcox | 24 |
| WESTERN AND U.S.S.R. EXPERTS NAMED FOR TECHNICAL TALKS | |
| U.S. Aide Memoire of June 20 | |
| UNITED STATES RELEASES DOCUMENTS ON WESTERN PROPOSALS FOR SUMMIT TALKS AFTER U.S.S.R. ANNOUNCES INTENTION TO | |
| ISSUE ALL UNPUBLISHED DOCUMENTS | 12 |

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THE DEPARTMENT OF STATE



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The Mutual Security Program: An Expression of Our Faith

Address by Secretary Dulles 1

Ten years ago I stood here, in this Washington Cathedral, with Secretary of State Marshall. We then appealed to Christian citizens to support the projected European recovery program. They responded, and their response created much of the public backing which the Marshall plan required.

Western Europe, with that help, quickly made its economic recovery. Our investment in that result has justified itself many times over, whether that justification be sought in material terms or in terms of the satisfaction that always comes from having accomplished a creative task.

Now we are engaged in a new program—that of assisting the peoples of the less developed countries to achieve higher economic levels. This program is not as spectacular as was the Marshall plan. It does not involve yearly public funds of the magnitude that were involved in the European recovery program. That is partly because private efforts can play a relatively greater part and partly because it is a task that can only be carried forward gradually. We are not quickly reconstituting an already highly developed industrial economy that has been shattered by war. We are laying the foundation for something that never existed before. But the present program is just as much an imperative as was the Marshall plan. I rejoice that the churches of this country are supporting it.

That they are supporting it is made evident here today. In this Cathedral there is to be dedicated a pictorial exhibit showing some of the humanitarian aspects of this nation's mutual security program. This will be seen during the coming months by many hundreds of thousands of people. These pictures portray, far more eloquently than could any words of mine, the reasons why such efforts should command the active support of the religious people of this land.

I know that the churches of America have their own programs for alleviating hunger, disease, and need throughout the world. A recent report from the National Council of Churches reveals that, on the basis of last year's figures, the welfare agencies of the Protestant, Roman Catholic, and Jewish faiths are sending annually about \$300 million worth of food, clothing, medicine, agricultural implements, and other goods to needy millions in every accessible corner of the world. This individualistic giving is of immense value. Private gifts are unmistakably motivated by personal concern and compassion, which the less fortunate crave. Government-to-government transactions are always subject to the suspicion that they have political motivation.

Nevertheless, the problem is too big to be left wholly to individual effort. Its proportions correspond to a political revolution that is farflung and drastic in its implications.

The Path to Economic Health

Within the last 15 years 700 million people of 20 countries have won political independence. Others who were semi-independent have become fully independent. This rapid political evolu-

¹ Made at the Washington Cathedral on June 22 (press release 339) on the occasion of the opening in the Cathedral museum of a photographic exhibit on U.S. mutual security programs in underdeveloped countries.

tion has given rise to new economic problems. On the one hand, there is no longer any politically responsible mother country. On the other hand the possession of political independence has generated new hope among those who, having been bogged down for centuries in a morass of abject poverty, feel that political change should also bring with it economic change and a better prospect for their rising in the economic scale. Numbness is replaced by new aspirations. These have spread contagiously to others who, although they may long have enjoyed political independence, have never enjoyed economic good health.

Of course economic well-being can never be had merely as a free gift from one people to another. Economic progress requires a stable political order with sound fiscal and taxation practices. It requires that the people work hard and accept the setting aside, for future growth, of some of the fruits of their labor.

In the case of the Soviet Union, the Government does not trust the people. It rules them with a rod of iron. Discipline, hard work, and austerity are imposed. Out of the resultant production the people get little and the Government takes much. It uses its "take" to build its military establishment, to engage in foreign adventures, and to build up heavy industry and other capital developments which accomplish rapid industrialization.

In the case of countries where there is no such dictatorial rule, large dependence has to be placed upon the people themselves. They must establish stable political institutions and freely accept self-discipline, hard work, and frugality in order that their nation may make economic progress.

In most cases the facts justify putting this trust in the people.

However, no people can start on the path toward a better economic life if they are so undernourished and so plagued with disease that they do not have the vitality wherewith to work. Neither can they be "self-starters" if they do not have tools and if they cannot acquire the technical knowledge needed to enable them to use tools. In the case of these countries, it is not a question of "priming the pump." Many of these economies have no pump to prime. We must help them provide the pump and help them learn how to prime it.

Our Government is not trying to accomplish the impossible task of suddenly lifting up all the peoples of the world to a standard of living comparable to our own. We have gained that through many generations of stable government, sound fiscal and taxation policies, and, on the part of individuals, frugality, self-discipline, and hard work. What we are doing is to help create the conditions which will enable other peoples with similar qualities to get started along a similar road.

We are showing them better methods of agriculture. We are providing some more efficient agricultural tools. We are explaining methods of irrigation. We are demonstrating what sanitation can mean to a nation's health. We are working in the fields of nursing, engineering, civil administration, and education. We are, where circumstances justify, helping the technical education and training which must precede industrialization. And where technical skills are already sufficiently advanced and where natural conditions are propitious, we are helping to install industrial plants.

In the course of doing these things, we send many thousands of Americans to other lands to point the way to a new and brighter future and we bring thousands from other lands to the United States for education, technical training, and experience. This interchange is, itself, an important step in developing international understanding and good will.

The Moral Considerations

All that we are doing can be amply justified by pure national expediency. It is a necessary measure to thwart the Communist strategy of seeking to pick up small and weak countries, one by one, until finally the United States itself is encircled and subject to economic strangulation and perhaps to overwhelming military assault. Without our mutual security program, and without a liberal trade program, the United States would quickly be gravely imperiled.

Those having official responsibility for the national security have a clear duty to point out these facts. We do not, however, like to see our programs based merely on these considerations. Government has not only the right but the duty to take account of moral considerations. There is, I believe, high authority for that assertion.

George Washington, in his Farewell Address, pointed out that "of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports." And he added, "The mere politician, equally with the pious man, ought to respect and to cherish them."

It is in accordance with American doctrine and tradition that our people, individually and through their private and public organizations, should rise up to meet the new and great challenge which faces us. That is not only to our self-interest; it is instinctive with us and it is right that we should do so.

In my address here 10 years ago I said, and I repeat today:

This nation cannot long survive as a citadel of self-indulging privilege, surrounded by massed human misery. No individual has ever been able to do that. No class has ever been able to do that. No nation has ever been able to do that. The United States is today a paradise compared to most of the world. But it will be a fool's paradise if we do not make honest, substantial efforts to help others to lift themselves out of the morass into which they have fallen.

We speak much nowadays of the principle of interdependence. Governments and peoples are beginning to see more clearly than ever that they cannot stand alone. This doctrine of interdependence has been proclaimed in eloquent terms by many of the political leaders of the free world. But its origin is a basic religious truth. As put by Saint Paul in his Letter to the Romans: "We, being many, are one body in Christ, and every one members one of another."

We need not be ashamed or mistrustful of our faith. Indeed, without it we would be poor and impotent.

The threat of international communism is far more formidable than if it represented merely aggressive ambition. It also represents a creed with basic concepts about the world and the right and duty to use any means to impose these concepts upon the world. According to that creed, human beings are animated particles of matter: they should be brought into order and harmony by being made to conform to a master plan of worldwide scope: Soviet Communist leadership has the duty to do that and, if it succeeds, then there would be world peace, total harmony, and maximum productivity.

This dedication to a materialistic, atheistic creed of worldwide application has been the moving force which has enabled a small group, who 41 years ago controlled nothing, now to control about a third of the world's population. No such development could have occurred except within the framework of a creed. The leaders of international communism make no attempt to disguise the fact that they have their articles of faith and that their policies stem from them.

We on our part have our creed. We believe in God. We believe that each individual human being has his origin and destiny in God and on that account has a spiritual nature and personal dignity. We believe that all men are endowed by their Creator with rights of which they cannot be justly deprived by any government or group of men, however powerful. We believe that all men should have equal opportunity.

Such is our faith. But too often we seem to doubt that our faith meets the needs of our time. Too often we fail to see, or hesitate to avow, any connection between our faith and our works.

That is a grave defect. It is not enough merely to have faith. There needs to be a clear connection between faith and works. Once that connection is broken, men become progressively enfeebled. No amount of armament or wealth can repair that weakness.

Napoleon said that in war the moral is to the material as three is to one. The ratio is even higher under the conditions of today. Unless we see that our deeds serve a faith of universal application, then our deeds will not, either in quantity or in quality, rise to the level of the need. Then there could readily ensue a dark age which would erase the great humanitarian gains slowly and painfully won over the centuries by our Judeo-Christian civilization.

The mutual security program, vividly portrayed by the pictorial exhibit being inaugurated here today, deserves the vigorous support of every citizen of spiritual faith. That program is an expression of the moral law under which we live. It is a practical expression of that article of our faith which declares that, though the people of the world be many, we are "every one members one of another."

July 7, 1958 5

Secretary Dulles' News Conference of June 17

Press release 332 dated June 17

Secretary Dulles: As you know, I think, we are expecting shortly the arrival here of President García of the Philippines. We look forward very much to the visit of this Head of Government of a great and friendly country. I shall have to leave promptly at 11:30 in order to meet him at the airport.

Any questions?

Q. Mr. Secretary, would you assess for us now the possibilities of a summit eonference after yesterday's diplomatic "courtesics" exchange between the Soviet Union and the United States?

A. I assume you put the word "courtesies" in quotation marks. It is not easy to evaluate the great mass of material which was given out yesterday although of course part of it is material with which we have been familiar.

The exchanges that have taken place at the meetings of the three Western Ambassadors with Foreign Minister Gromyko result from an effort on our part to try to make the careful preparation which we believe is essential to have a successful summit meeting. The letter from Chairman Khrushehev to President Eisenhower and the comparable letters which have been sent to Prime Minister Macmillan and President of the Council de Gaulle indicate apparently an unwillingness on the part of the Soviet Union to face up to some of the practical problems that were raised by the proposals that had been put forward in Moscow by the three Western Ambassadors.

You will recall that the Soviet Union has consistently professed, at least, to believe that a summit meeting should deal with matters as to which there was a good possibility of agreement. We have accepted that view although also we believe that there should be a permissible discussion of other matters of great importance even though there was not a likelihood of agreement. But

we have felt that it would be important to find out what were the matters as to which—to use a Soviet term—there was a good possibility of agreement. So we took up these various matters and asked for an exposition of Soviet views on them, and we gave certain expositions of our views at that point.

Apparently the Soviet Union wants to break off that kind of preparatory work and to move directly, without preparation, into a summit meeting. It still professes to want to have a meeting to reach certain agreements and to deal with matters as to which agreement is likely. But it seems unwilling to probe in advance to find out whether or not an agreement in fact is likely and when we ourselves, at the present state of affairs, do not see where any agreement of great significance is likely.

Now the breaking off of these talks, if indeed that is the meaning of the Soviet letters—and it seems to be one interpretation—the breaking off of those preparatory talks would certainly require a reevaluation of the situation by the Western Powers.

You may recall at the meeting at Copenhagen of the NATO Council there was unanimous expression of the fact that any summit meeting would have to be carefully prepared. Now there seems to be an indication on the part of the Soviet Union that it is not willing to have careful preparation.

Execution of Imre Nagy

Q. Mr. Secretary, is it your interpretation of the execution of Imre Nagy that there is any connection with the attitude in Moscow toward the summit meeting?

A. It, I think, indicates another step in the reversion toward the brutal terrorist methods which prevailed for a time under Stalin and which were so bitterly denounced at the 20th Party Congress

¹ For background, see p. 12.

by Mr. Khrushchev. Khrushchev rode to power on a denunciation of the methods of Stalin, which methods he seems now to be copying.

It is rather significant, first, that the news about the execution first came over the Moscow radio and, secondly, that the execution occurred in apparent violation of a pledge of safe conduct which had been given Imre Nagy. As you will recall, he had sought and obtained diplomatic refuge in the Yugoslav Embassy. He gave that up, and the Yugoslav Government gave it up, in reliance of a pledge of safe conduct. That appears to have been violated. This is another illustration of some of the dangers of doing business with the Communists.

- Q. Is it your interpretation, sir, that the execution in fact is a Soviet act and not a Hungarian act?
- A. I believe that, if the Hungarians had any part in it, they were acting as agents in earrying out the will of the Soviet Government.
- Q. Are you in a position, Mr. Secretary, to say anything as to when this execution and alleged trial—when that actually occurred?
- A. Our presumption is that it occurred recently, but that is only a presumption. We don't know. The whole affair, the alleged trial and the execution, were of course carried out in complete secrecy with no opportunity for the executed persons to state their case before any court of world opinion or before the world press. We cannot even know when they were executed.
- Q. Mr. Secretary, do you relate the execution of Mr. Nagy in any way with the current Yugoslav difficulties with the Soviet Union? Is this perhaps a warning to Tito?
- A. It could have a relationship and be a suggestion to President Tito that, if he is not more compliant, he may sooner or later suffer a like fate.
- Q. Mr. Secretary, now that the Soviets have apparently broken off the diplomatic—the Ambassadors' conference, will you continue the correspondence between the President and Mr. Khrushchev?
- A. We are in consultation with our allies as to how to deal with the present situation. It is not, of course, definitive that the diplomatic talks are broken off. That is an inference to draw from

Department Statement on Execution of Hungarian Patriots

Press release 334 dated June 17

The execution of Imre Nagy and Pal Maleter and other Hungarian patriots, first publicly announced last night [June 16] by Radio Moscow, can only be regarded by the civilized world as a shocking act of cruelty. The preparation of this act, beginning with the Soviet abduction of Imre Nagy from the Yugoslav Embassy in Budapest in violation of assurances of safe conduct pledged by the Soviet puppet, Kadar, was by stealth and secrecy. It follows, significantly, on Mr. Khrushchev's April vislt to Budapest. It has also come at a time when the Soviet Union has been attempting to persuade the world that international discussion of the plight of Hungary and Eastern Europe generally should not take place because it would constitute unwarranted intervention in the internal affairs of these countries.

The Soviet Union, which has pursued a policy of terror toward the peoples of Hungary and of the other dominated countries of Eastern Europe for over 12 years, must bear fundamental responsibility for this latest crime against the Hungarian people and all humanity. The murder of these two Ilnngarian leaders, who chose to serve the interests of their nation rather than those of Soviet communism, brings to a tragic culmination the Soviet-Communist betrayal of the Hungarian people. It is the executioners of Imre Nagy and l'al Maleter, and not the executed patriots, who have committed treason against the Hungarian nation. By this act the Soviet Union and the Soviet-imposed regime in Hungary have once more violated every principle of decency and must stand in judgment before the conscience of mankind.

what has taken place; it is not explicit. I think that is what it may mean. And we will be talking with the others, not only the British and the French, who were participating in this particular effort with us, but also with our NATO allies, as to how we deal with the present situation.

- Q. Mr. Secretary, the Supreme Court held yesterday that the Department regulations restricting the issuance of passports to Communists and others of doubtful loyalty are without statutory foundation. Do you plan to propose legislation at this Congress to restore your authority or give you such authority?
- A. I am not in a position to answer that question yet because we have not yet had time adequately

to evaluate the decision. There is always a possibility of asking for a rehearing. It was, as you know, a five-to-four decision. That would have to be discussed with the Department of Justice, which conducts these cases. We are not in a position today to announce what will be our proper course.

I would like to take this occasion to emphasize that the departmental regulations in question were not regulations that were introduced by this administration. They were regulations which this administration inherited. They had been introduced and put in force under President Truman and Secretary Acheson, and we merely continued them.

Situation in Lebanon

Q. Mr. Sccretary, can you give us your assessment of the situation in Lebanon, and whether or not any action seems to be required under the circumstances?

A. The situation in Lebanon is, obviously, one which causes very considerable anxiety to those who believe in the independence and integrity of the countries in the Middle East. That, as you will recall, was proclaimed as of vital interest to the United States by a Middle East resolution.² I would also recall the fact that, even though at the moment the disturbance assumes, in part at least, the character of a civil disturbance, it is covered by the United Nations resolution of 1949 on indirect aggression.³ This denounces the fomenting from without of civil strife. Therefore we watch the situation with concern.

The events are moving on a day-to-day, hour-to-hour basis, and I would not feel that it was wise, or I would be on solid ground, in discussing them in detail at this time.

Q. Can you say, sir, what our attitude is toward a larger U.N. force in the area, possibly on the Syrian-Lebanese border?

A. I believe that the representatives of the United Nations who have already arrived there have come to the conclusion that it would be necessary to have a force somewhat larger in number and somewhat different in composition than had been anticipated at first. It may have to be

larger, and it may also have to have greater elements of mobility than had been originally contemplated. I believe that that is being sympathetically considered by the Secretary-General. He himself, I think, plans to go out to the area today. The United States would be disposed to support, as a member of the United Nations, any action along those lines which commended itself to the Secretary-General.

Q. Mr. Secretary, several weeks ago Premier Khrushchev sent the President a letter in which he made a bid for increased trade. What is the situation on this?

A. We are, I hope, approaching the moment when a reply will be made to that letter. In view of certain implications of the letter, we shall probably also want to discuss its handling with our allies before we make it, although I think the reply will be relatively short. I don't want you to have to look forward to another 50-page letter.

Q. Mr. Secretary, what do you think now of the prospects for technical talks in Geneva on the means of supervising a nuclear-testing ban? 4

A. I hope that those talks will go forward. There are one or two minor points where there seems to be not a complete meeting of the minds between the parties, but our group is planning to go ahead, to be there, as far as we now foresee, on the first of July.

Q. Do you consider those minor points?

A. Well, they could be blown up into major points. But in view of the fact that they were all points as to which the Soviet Union had previously given its assent, we do not go on the assumption that they will try to make them into major points. They could be built up, of course, into major points. I hope they will not do so.

Prospects for Summit Conference

Q. Mr. Secretary, can you give us an idea of the reason for this zigzagging course of the Soviet on the summit conference—why they are blowing hot and cold, possibly on one occasion one way and now in another direction?

A. I don't think that their basic attitude has varied. Their tactics have varied. They have

² For text, see Bulletin of Mar. 25, 1957, p. 481.

^a For text, see *ibid.*, Nov. 28, 1949, p. 807.

⁴ For background, see ibid., June 9, 1958, p. 939.

wanted and still, I guess, want to have a summit conference if they can have such a conference on their own terms, where they would feel that they could score a propaganda victory, where they could give the free world the impression that the cold war was over, relax our efforts, and so forth. That's a very natural objective if they can get away with it. And they have been trying to get away with it by various means. We have been trying to hold to a steady course of saying we want to have a summit conference if it can be conducted under conditions where it will be not a mere spectacle but a real means of solving some of the world's problems, and let's find out in advance whether it will be that kind of meeting.

Now they have squirmed quite a lot when it comes to that aspect of the matter. They have squirmed, you might say, in a tactical way while still holding to the broad strategic concepts of wanting to have a meeting on their terms. Now it looks as though they had come to the conclusion that a careful diplomatic study of the matters that might be discussed would disclose such a disparity of views that there would really be no solid, logical reason for having such a conference. And, being faced up with that, they are now swinging back to try to bring it about on their terms by a broad propaganda offensive. Their tactics have been one of zigzag or squirming; their basic objective is to have the kind of meeting which would serve their purposes. I think in that respect they have been consistent.

Q. Mr. Secretary, shortly before the publication of the documents yesterday you said in an interview you thought it would be several months before a summit conference could be arranged. What is your estimate now? Do you think there is a possibility of having a summit conference this year?

A. Well, I think I have said several times I didn't want to get into predictions in that respect. I still think it will be a little time before there is a summit conference, if indeed there is one at all. You may recall that this has already been under discussion for 6 months, since it was brought up in December, and that quite a lot of problems remain totally unresolved. Even if, which is unlikely, the Western powers were willing to waive—give up—the type of careful preparation about substantive matters, there are also

other matters such as composition and the like which will need to be resolved. Also there is supposed to be a meeting of foreign ministers before there is any summit meeting.

We have a number of engagements ahead in various respects. There is a Baghdad Pact meeting in London in the latter part of July. I'm hoping to go to Brazil in August. And it doesn't seem to me that in fact there is much likelihood of a summit meeting within the next month or two. I would not want to alter the response I made to a question in that respect last Sunday, but also I would not want to get into predicting just whether one might be held this year or not.

Q. Mr. Secretary, to go back for a moment to the technical talks which are to be held in Geneva—the Soviet Union obviously assumes that any agreement on inspection methods would lay us under obligation to agree to suspension of tests, quite apart from other elements in the disarmament package, whereas last week I believe you said that an agreement on test suspension would be made conditional upon further steps. Well, that seems to be a basic difference here.

A. It could be a basic difference, and I don't know now whether the Soviets are trying to make it into a basic difference or whether they are just trying to see if they can pick up a little extra by squeezing us a bit at the last moment. Now it was agreed from the beginning that this study by the experts would be conducted without prejudice to the question of whether or not there would be a suspension of testing or the interrelation of any suspension of testing with other matters. And the Soviets accepted to have the experts study it on those conditions. Now they seem to be trying to get a little extra there.

Now, if in reality they want to reopen the whole basic presupposition of the meeting, then of course it would be a major affair. It can be interpreted that way. Possibly in light of other events that is the correct interpretation. I don't know. But up until yesterday at least we had been inclined to think that they were just saying, "Well, now, everybody is prepared to have this meeting, let's see if we can't by squeezing a little footnote into our last letter gain a little bit extra." That is a very common tactic of the Communists—sometimes of others. I can't blame them for trying. Now the question is, if they don't get away with it,

then what are they going to do? I hope that they will still go ahead. I don't know.

Q. Mr. Secretary, to go back to Lebanon for a moment—you said the United States will be disposed to support such action as Mr. Hammar-skjold might propose. Were you speaking of diplomatic support or the possibility of an offer of military support?

A. I was speaking of supporting them diplomatically in the United Nations. Now, if there were a call made for us to participate physically in that effort, I think we would be inclined to go along with that also.

Relations With Latin America

Q. Mr. Secretary, the New York Philharmonic Orchestra returned from an eminently successful tour of South America, in fact of all of Latin America, yesterday, and I was wondering if you could tell us (a) if you had been apprised of the tremendous popular response to the American group in an area where other visitors from the United States had run into some difficulty and (b) if in your review of the Latin American policy you are planning to boost this type of exchange.

A. I think I can give a "yes" to both of your questions. I was aware of the good reception given. And I may say that I do not think at all that the incidents which related to Vice President Nixon's visit 5 are characteristic of the attitude of our friends to the south toward the North Americans in general. There were special circumstances and conditions that applied there. But I believe that the good will between our Republic and the other Republics and their peoples is still there to a very large extent and that such events as you refer to demonstrate the truth of that. The important thing is to develop that, to cultivate it, strengthen it. I hope that we will be doing it.

Q. Mr. Secretary, regarding the physical support you said in the answer to the previous question on Lebanon, is there any connection between your statement and the fact that the Navy has ordered 1,700 more marines to the Eastern Mediterranean and the 6th Fleet on what is called a routine replacement? But the timing seemed to be very significant.

A. I would have to say that I wasn't aware of this particular movement that you refer to. I'm aware of the fact that the 6th Fleet is watching the situation—some of its elements are close to the situation—that they have on a rotating basis elements which could, if need be, respond to appropriate invitation. But this particular movement you refer to has, I think, no political significance because I was not aware that they had made a shift of their personnel in that respect.

Q. Mr. Secretary, as I recall, at the time of the invasion of Egypt there was a tacit agreement, was there not, that neither the United States nor the Soviet Union would contribute troops to the United Nations force that attempted to maintain the peace there? Would the same considerations that led to that decision likely obtain in any decision or any call for forces in the present crisis?

A. It might. Let me say there was no tacit agreement between the United States and the Soviet Union in that respect. It was, I think, the judgment of those in the United Nations who were organizing the United Nations Emergency Force that it would be better to avoid calling on the so-called great powers to make contributions. And that might continue to be their view. I don't know. I was answering a hypothetical question that, if we were called on, would we respond, and I said I thought we would.

Q. Mr. Secretary, does that imply that the only possibility of a United States military action in the Lebanese area would be in response to a United Nations call?

- A. No, there are other possible contingencies.
- Q. Would you spell those out, Mr. Secretary?
- A. I'm afraid I have got to leave.
- Q. Thank you, sir.

Letters of Credence

Guatemala

The newly appointed Ambassador of Guatemala, Carlos S. Antillón Hernández, presented his credentials to President Eisenhower on June 16. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 326.

⁵ *Ibid.*, p. 950.

Western and U.S.S.R. Experts Named for Technical Talks

U.S. AIDE MEMOIRE OF JUNE 20

Press release 336 dated June 20

The following U.S. aide memoire was delivered on June 20 at Moscow by the U.S. Embassy to the Soviet Ministry of Foreign Affairs.

The Government of the United States of America notes the acceptance by the Government of the USSR of the proposal by the Government of the United States of America that a meeting of experts convene at Geneva on or about July 1 to consider means of detecting nuclear explosions. With regard to duration of the meeting, the Government of the United States of America considers that there is sufficient agreement between the views of the United States and the Soviet Union as set forth in the letters of President Eisenhower dated May 24 1 and June 10 2 and the letter from Premier Khrushchev dated May 30 2 to permit commencement of work by the experts. The positions of the Governments of the Soviet Union and the United States of America regarding the relationship between this meeting and cessation of nuclear tests have also been set forth in these letters.

The Government of the United States of America has proceeded on the basis of the statement in the letter of May 9, 1958,3 from Mr. Khrushchev that "the Soviet Government agrees to having both sides designate experts." We note with concern that the Aide Memoire of June 13 appears to shift from this agreed concept of a panel of experts on each side, chosen on the basis of technical competence. We consider that a useful meeting of experts can best be conducted on the basis of the original concept of a panel on each side.

In the letter from President Eisenhower dated June 10, 1958, he stated "As indicated in my letter of May 24, 1958, our side at this discussion will include experts from the United States, United Kingdom, France and possibly from other countries which have specialists with a thorough

and we note that you have no objection to this." The panel on our side is now being formed in accordance with this principle, and will include the following experts:

knowledge in the field of detecting nuclear tests,

Dr. James B. Fisk, Vice President of Bell Telephone Laboratories and Member of the President's Science Advisory Committee;

Dr. Robert F. Bacher, Professor, California Institute of Technology and Member of the President's Science Advisory Committee;

Sir John Cockroft, Fellow of the Royal Society;

Dr. Ernest O. Lawrence, Director, University of California Radiation Laboratory;

Sir William Penney, Fellow of the Royal Society;

Professor Yves Rocard, Director, Laboratory of Physics, Ecole Normale Superieure of Paris;

Dr. Omond Solandt, Former Chairman of the Defense Research Board of Canada.

It is assumed that, since experts from Czechoslovakia and Poland as well as the Soviet Union will participate on your side, the Government of the Soviet Union within due course will transmit the names of Polish and Czechoslovakian experts on its panel.

SOVIET AIDE MEMOIRE OF JUNE 134

Unofficial translation

The Soviet Government with satisfaction notes the coincidence of points of view of the Soviet Government and the Government of the USA with regard to convocation in the near future of a conference of experts for studying means of revealing nuclear explosions and to the fact that all work of the experts be finished in a period of three to four weeks from the time of starting the work of the conference. The Soviet Government is also agreeable to having the conference of experts start its work on July 1 in Geneva.

The Soviet Government, as it has already stated on this subject, proceeds from the fact that the work of the experts will be completed in the shortest time and that, as a result, there will be achieved an understanding regarding cessation of tests of nuclear weapons by all powers disposing of these weapons.

Consideration is also taken of the positive answer of the Government of the USA with regard to the fact that at the conference in question, experts of the USA, Great Britain and France will participate on one side, and experts of the USSR, Czechoslovakia and Poland on the other, and that, by this, the question of the composition of the conference of experts can be considered agreed upon.

¹ Bulletin of June 9, 1958, p. 939.

² Ibid., June 30, 1958, p. 1083.

¹ Ibid., June 9, 1958, p. 940.

^{&#}x27;Handed to U.S. Ambassador Llewellyn E. Thompson at Moscow on June 13 by Soviet Foreign Minister Andrel A. Gromyko.

As far as the enlisting of experts of other countries in the work of the conference is concerned, the Sovict Government expresses regret that at the given stage of negotiations understanding has not been reached about having experts of India already participate in the work of the conference from the very beginning.

It is herewith made known that the following experts from the Soviet Union will participate in the conference:

- Y. K. Federov, corresponding member of the Academy of Sciences of the USSR
- N. M. Semenov, academician
- I. Y. Tamm, academician
- M. A. Sadovski, corresponding member of Academy of Sciences of the USSR
- M. A. Lelpunski, professor, doctor of physical-mathematical sciences
- I. P. Pasechnik, scientific collaborator of the Academy of Sciences of the USSR

- K. Y. Gubkin, scientific collaborator of the Academy of Sciences of the USSR
- S. K. Tsarapkin, chief of section of international organizations and member of the Collegium of the Ministry of Foreign Affairs of the USSR

In connection with the thoughts voiced by the Ambassador of the USA in Moscow, Mr. Thompson, in conversation with the Minister of Foreign Affairs of the USSR, A. A. Gromyko, on the matter of several organizational questions concerning the conducting of the conference, the Soviet Government does not object to having the UN Secretariat brought in for technical servicing of the conference of experts and for setting down their sessions in the form of protocols. Agreement is also expressed with the thought voiced by the American side that expenses of conducting this conference be divided equally between both sides.

Moscow, June 13, 1958

United States Releases Documents on Western Proposals for Summit Talks After U.S.S.R. Announces Intention To Issue All Unpublished Documents

Following is a Department announcement and the texts of three documents released by the Department of State on June 16 (press release 330), together with the texts of a Soviet memorandum and a Soviet aide memoire of May 5.

DEPARTMENT ANNOUNCEMENT

The Soviet Government has informed the United States it intends to publish the written communications on the summit talks which have not been published heretofore. In view of the publication by the Soviet Government of Khrushchev's letter to the President of June 11, including the Soviet agenda proposals presented in the Soviet Government's memorandum of May 5, the Department of State has decided to make public the following documents which have been presented to Foreign Minister Gromyko by the three Western Ambassadors in the course of the current preparatory talks in Moscow:

1. A memorandum on Western agenda proposals handed to Foreign Minister Gromyko on May 28.

- 2. An aide memoire handed to Foreign Minister Gromyko on May 28 reaffirming the concept of the three Western Powers as to the precise scope and character of the preparatory work for a possible summit conference.
- 3. A proposed schedule for the review of the Western and Soviet lists of agenda proposals for the purpose of determining what subjects should be submitted for examination by heads of government and of bringing out, by general discussion, the possibilities of agreement. This was handed to the Soviet Government on May 31, 1958.

MEMORANDUM ON WESTERN AGENDA PROPOSALS!

The Governments of the US, UK and France believe that the present international situation requires that a serious attempt be made to reach

¹ Handed to Soviet Foreign Minister Andrei Gromyko at Moscow on May 28 by the British Ambassador on behalf of the United States, the United Kingdom, and France.

agreement on the main problems affecting the attainment of peace and stability in the world. They consider that, in the circumstances, a Summit meeting would be desirable if it would provide the opportunity for serious discussions of major problems and would be an effective means of reaching agreement on significant subjects.

They regard such settlements as constituting effective means for developing a spirit of confidence in their relations with the Soviet Union which could lead to cooperation among nations in the pursuit of a just and lasting peace.

Such settlements, if they are to serve this purpose, must take into account the legitimate interests of all the parties concerned and must embrace the necessary elements to assure their implementation.

In his letter of January 12, 1958,2 President Eisenhower put forward a series of proposals to Premier Bulganin. The Governments of the US, UK and France consider that they form the basis for mutually beneficial settlements at a meeting of Heads of Government. Some of the considerations which underlie this view are set forth below. In making their proposals in the field of disarmament, the three governments recall their obligations, undertaken in the UN Charter, not to use any weapons against the territorial integrity or political independence of any state. While a comprehensive disarmament remains their ultimate aim, they propose certain practical balanced and interdependent measures which would mark significant progress toward controlling the arms race and thus reducing the danger of war. Progress of this sort would also create an atmosphere of confidence which could facilitate settlement of the political controversies that disturb relations between the Western Powers and the Soviet Union. Reduction in both nuclear weapons and conventional armed forces and armaments are vital for this purpose. The three Governments therefore consider it desirable to make clear once again what were the reasons which led them to put forward far reaching proposals for partial disarmament in 1957.

1. Measures to control production of fissionable materials for nuclear weapons and to reduce existing military stocks of such materials

As for the nuclear problem, the heart of the matter is not the mere testing, but the weapons themselves. The Western Powers seek a dependable ending to the accumulation of nuclear weapons and a dependable beginning of the steady reduction of existing weapons stockpiles. there is no known reliable means for detecting the weapons already made, the most effective and feasible way to work toward the reduction and elimination of nuclear weapons is to halt production of fissionable materials for making them and to begin reducing weapons stockpiles by equitable transfers to peaceful uses. The Western Powers are prepared to discuss these measures and the ratios of materials to be transferred from existing weapons stocks to peaceful uses with a view to arriving at equitable proportions for such transfers by the states concerned.

2. Suspension of nuclear tests

If there is agreement to put an end to the production of new fissionable materials for nuclear weapons, the way lies open to an immediate solution of the problem of nuclear testing. So long as unrestricted manufacture of nuclear weapons continues, and new means are being developed for delivering nuclear weapons rapidly and surely the suspension of nuclear testing does not constitute disarmament. It is relevant to underline the fact that the existence of nuclear stocks, which are constantly growing, constitutes a much more serious danger than nuclear tests. Thus, the Western Powers propose not only the suspension of nuclear tests but the stopping of production of new fissionable materials for weapons purposes and the progressive conversion of stocks of these materials to peaceful uses. Testing could be stopped indefinitely if the necessary inspection system is installed and the production of fissionable materials for weapons is also effectively ended. Both would be carried out under effective measures of international control

3. The reduction and limitation of conventional arms and manpower

An agreement on initial verifiable reductions of armed forces and their stocks of arms could ease the way toward settlement of problems which create international friction. In their turn, such settlements could set the stage for further reductions. This is a sound approach for developing

² Bulletin of Jan. 27, 1958, p. 122.

confidence in relations between the countries. On the other hand, unverified and uncontrolled unilateral measures can well be merely shifts in deployment or temporary reductions. They do not inspire confidence.

With these considerations in mind, the Western Governments propose that the Soviet Union join them in agreeing on an initial limitation of their armed forces; and on placing in storage depots, within their own territories, and under the supervision of an international control organization, specific quantities of designated types of armaments. They will be prepared also to negotiate on a further limitation of their armed forces and armaments provided that compliance with commitments above has been verified to mutual satisfaction, that there has been progress toward the solution of political issues, and that other essential states have accepted equitable levels for their armed forces and armaments.

4. Measures to guard against surprise attack

Until general controlled disarmament becomes a reality, the surest way toward the development of confidence lies in lifting fears of surprise attack. Growing capabilities of surprise attack on a massive scale underscore the importance of a prompt beginning on measures to deal with this problem. The Western Powers want to meet it on the broadest scale possible. The Governments of the US, UK and France express their readiness to enter into discussion of this subject both from the standpoint of technical considerations of ways and means of achieving this end in the most practical way and from the standpoint of initial areas to be included in the progressive installation of such a system. In this connection the three Governments reaffirm their willingness as expressed in the United Nations Disarmament Subcommittee on August 29, 1957,3 to consider the installation of a system of air and ground inspection as a safeguard against surprise attack on a comprehensive scale embracing all of the US, USSR, Canada, and with the consent of the countries involved, the greater part of Europe as well. If this proposal is not acceptable to the USSR, the three Governments are also prepared to consider the establishment in the first instance of smaller zones in the Arctic and European regions,

provided that the latter also included a significant part of the territory of the Soviet Union. As the US indicated at Geneva in 1955, if agreement is reached on the installation of measures of air and ground inspection on the comprehensive scale outlined above, negotiations could be undertaken promptly both with other sovereign states involved and with the Soviet Union for the appropriate extension of such inspection, on a reciprocal, equitable basis and subject to the consent of any governments concerned, to bases outside of national territory.

5. Use of outer space for peaceful purposes

An opportunity to stop the development of new and more powerful weapons was tragically lost a decade ago when the US offer to renounce making atomic weapons and to make the use of atomic energy an international asset for peaceful purposes only was not accepted. A great step forward in building confidence among peoples and in reducing the danger to humanity from new and powerful weapons would have been made if this offer had been accepted. The responsible countries are faced once more with a similar decision, laden with serious consequences for mankind. The three governments propose that the Soviet Union join in the establishment of a group of experts who would make the necessary technical studies for determining what measures are required to assure that outer space is used for peaceful purposes only.

6. Reunification of Germany in accordance with the terms of the 1955 Directive of the four Heads of Government to the Ministers of Foreign Affairs

The continued division of Germany is a major obstacle to the restoration of confidence and the creation of conditions of genuine peace and stability in Europe. Thirteen years have passed since the end of the war in Europe, yet no peace settlement has been made with Germany. A necessary prerequisite for such a settlement is the creation of a government which truly reflects the will of the German people. Only a government created on such a basis can undertake obligations which will inspire confidence on the part of other countries and which will be considered just and binding by the people of Germany themselves.

The Heads of Government in Geneva recognized the common responsibility of the four pow-

⁸ For text of Western disarmament proposals, see *ibid.*, Sept. 16, 1957, p. 451.

ers for the settlement of the German question and the reunification of Germany. They agreed that the settlement of the German question and the reunification of Germany through free elections should be carried out in conformity with the national interests of the German people and the interests of European security. The Western Powers propose that the Soviet Union join with them in immediate steps to carry out their responsibility by agreeing to permit an all-German Government to be formed by free elections and enabling it to carry out its functions. Such an agreement would give tangible evidence of a common desire on the part of the four governments to create the conditions of trust on which a lasting peace can be based.

7. European security arrangements

The Western Powers are aware of the fact that the Soviet Union has expressed concern that the creation of a freely-chosen all-German Government with the full attributes of sovereignty would bring about changes in the present situation in Europe which the Soviet Union would consider detrimental to its security interests. The three governments are prepared to enter into arrangements concerning European security which would give assurances to the Soviet Union in this regard. The arrangements they envisage would involve limitations on forces and armaments. would also involve assurances designed to prevent aggression in Europe by the exchange of undertakings to take appropriate action in the event of such aggression.

The three governments seek no one-sided advantage in such arrangements, nor do they contemplate entering into arrangements which would give a one-sided advantage to the Soviet Union to the prejudice of their essential security interests. Confidence can be created by international agreements only if the agreements take equally into account the legitimate security interests of all the parties concerned.

The Western Powers call on the Soviet Union to enter into negotiations on the subject of European security in this spirit, with a view to concluding a treaty which would enter into force in conjunction with an agreement on the reunification of Germany. This would recognize the close

link which the powers concerned have agreed exists between the two subjects. The linked settlement of these two questions and the confidence created thereby would also permit further progress to be made in the limitation of armaments generally.

8. International exchanges

Lasting peace requires a satisfactory settlement of the problems which concern the general relationship between the peoples of Eastern Europe and those of the Western countries. An important step forward along the path of mutual understanding would be made if the interested governments agreed to remove the obstacles which still prevent peoples from knowing each other and to satisfy the common aspirations of all men by guaranteeing them objective and complete information and by promoting closer cultural ties and human relations.

In July 1955, at the Geneva Conference, the four Heads of Government included this question in the directives given to the Ministers of Foreign Affairs. While some progress has been made in certain fields since that date, much remains to be done to eliminate the obstacles which still hinder mutual acquaintance and understanding, the conditions for a durable and genuine peace.

9. Means of strengthening the United Nations

The peoples of the world look upon the UN organization and the pledges of its members embodied in its Charter as man's best hope for peace and justice. Thus, the Western governments cannot but welcome the recent assertion of the Soviet Union that it believes in the importance of the United Nations and its role in the maintenance of peace and security as well as in the peaceful settlement of international issues. Like the USSR, they deem that efforts should be made to strengthen the United Nations by every means, so that it should be able to fulfill its tasks more effeetively. One practical way in which this can be done now is through an undertaking by the Governments of the US, UK, France and USSR that they will, as a matter of policy, avoid vetoing Security Council recommendations as to how nations might proceed toward the peaceful solution of their disputes.

For text of directive, see ibid., Aug. 1, 1955, p. 176.

The creation of conditions of stability in Eastern Europe based on relations of independence and friendship among the countries of the area would greatly contribute to the cause of promoting a just and lasting world peace. That this should come about is thus not an aspiration of neighboring Western Europe alone, but of all the world. This international interest found its expression in the international agreements concerning the right of the peoples of the area to choose their own governments; the peace treaties with their provisions designed to safeguard human rights; the efforts of many countries to improve the economic welfare of the people; and efforts to eliminate interference in their internal affairs.

The Western Powers believe that a serious discussion of the problem posed by the existence of tensions in Eastern Europe should be held with the aim of eliminating interference in the internal affairs of the countries of that region and the use of force in the settlement of disputes there.

The Western governments believe that the proposals set forth above are feasible and could be put into effect now. They believe their implementation is verifiable. The proposals take into account the legitimate interests and security needs of the countries concerned. Their adoption could create a basis for the development of an atmosphere of confidence and trust that would favor the growth of more active mutually beneficial relations between our peoples and governments.

TRIPARTITE AIDE MEMOIRE OF MAY 28 5

The Governments of the US, UK and France after consideration of the Soviet Government's Aide Memoire of May 5, have concluded that the positions of the governments with regard to the purpose of the talks between the three Western Ambassadors and the Soviet Foreign Minister and of a subsequent Foreign Ministers' meeting are sufficiently close to permit the substantive preparatory work for a possible Summit meeting to proceed without delay. It is their understanding that this work should go forward along the following lines:

The purpose of the preparatory work shall be to examine the position of the various governments on the major questions at issue between them and to establish what subjects should be submitted for examination by Heads of Government. It is understood that it would not be the purpose of the preparatory work to reach decisions, but to bring out, by general discussion, the possibilities of agreement. When they have made progress in these talks the Ambassadors and the Soviet Foreign Minister will also have the task of agreeing on the time, place and composition of a Foreign Ministers' meeting.

The special tasks assigned to the Foreign Ministers themselves shall be to establish whether they are satisfied that the preparatory work affords the prospect that a Summit meeting would, in fact, provide the opportunity for conducting serious discussions of major problems and be the means for reaching agreement on significant subjects. If and when this has been established to their satisfaction, the Foreign Ministers will then reach agreement on the date, place and composition of a Summit meeting.

LIST OF GENERAL HEADINGS FOR REVIEW-ING SPECIFIC AGENDA PROPOSALS

(With only Western items listed as examples) May 31, 1958

Disarmament

- (a) Measures to control the production of fissionable material for nuclear weapons and to reduce existing military stocks of such material;
 - (b) The suspension of nuclear tests;
- (c) The reduction and limitation of conventional arms and manpower;
 - (d) Measures to guard against surprise attack;
- (e) The use of outer space for peaceful purposes.

European Security and Germany

- (a) Reunification of Germany in accordance with the terms of the 1955 Directive of the four Heads of Government to the Ministers of Foreign Affairs;
 - (b) European security arrangements.

International Exchanges

(a) Cessation of jamming of foreign broadcasts;

⁶ Handed to Foreign Minister Gromyko at Moscow on May 28 by the British Ambassador on behalf of the United States, the United Kingdom, and France.

- (b) Censorship;
- (c) Free distribution and sale to the public of books and publications;
- (d) Free distribution and sale of foreign newspapers and periodicals;
 - (e) Freedom of travel.

Methods of Improving International Cooperation
Means of strengthening the United Nations.

Other Topics

Ways of easing tension in Eastern Europe.

SOVIET MEMORANDUM OF MAY 5

Official translation

Proposals of the Soviet Government as to Questions
To Be Considered at the Conference With Participation of the Heads of Government

On January 8, 1958, the Soviet Government presented for consideration by other Governments its concrete proposals on problems of easing international tension. These proposals provide for a high-level conference of top government officials with the participation of the Heads of Government to discuss issues the settlement of which would promote the easing of international tension and the creation of trust in relations between states.

As before, the Soviet Government considers that a series of pressing international problems can be solved even at the present time. Its position is that it is necessary and possible to achieve agreement among states on outstanding issues in international relations. The Soviet Union, for its part, has listed a number of such issues and is prepared to participate in the consideration of other problems which might be proposed by the participants in the conference at the summit provided, of course, that these questions are within the competence of the international meeting and are directed toward strengthening peace.

The Soviet Government is firmly convinced that if the Heads of Government firmly resolve to devote their efforts to seeking mutually acceptable solutions for pressing international problems, then it is possible to say with certainty that the forthcoming conference at the summit will ensure the necessary turning point in the development of relations between states in the direction of improving the entire international situation and the liquidation of the "cold war."

Taking into account the exchange of views which has occurred on the question of convening a conference at the summit and seeking to facilitate the completion of

1. Immediate eessation of atomic and hydrogen weapons tests

Cessation of tests of all types of atomic and hydrogen weapons is a pressing problem for which it is possible to find a practical solution. Universal cessation of tests of such weapons would have beneficial results in strengthening the cause of peace and putting an end to the armaments race. Agreement on this question would be a definite barrier to the ereation of new and still more destructive types of atomic and hydrogen weapons and would be a practical step on the road to complete prohibition of such weapons of mass destruction.

The necessity for an immediate solution of this question is dictated also by the fact that continued tests of atomic and hydrogen weapons are, according to the testimony of the most prominent scientists, increasing the concentration of atomic radiation in the atmosphere, the soil, and the water, which are already creating a serious danger to the health and life of people now living and threatening the normal development of future generations. This danger will increase still more in the future if an end is not put to experimental explosions of nuclear weapons.

At the present time, nuclear weapons are being produced by only three states—the USSR, the USA, and the United Kingdom,—and the cessation of tests of such weapons now depends, since the Soviet Union has already unilaterally ceased its tests, upon only two powers—the USA and the United Kingdom. The Soviet Government expects that the USA and the United Kingdom will cease without delay their testing of nuclear weapons, so that it may be possible to agree at the conference, with the participation of the Heads of Government, on the consolidation of such decisions by the three powers by means of appropriate agreements.

Although modern technical devices for detecting nuclear explosions can record any explosions of atomic and hydrogen weapons, no matter where they are carried out, and each power concerned can itself determine whether the other parties are complying with the agreement to cease the tests, the Soviet Government reiterates its consent to the establishment of international control over the cessation of nuclear weapons tests by means of international control posts, as it already proposed in June 1957. It considers that it will not be difficult to agree on concrete measures for such control as soon as the Governments of the USA and the United Kingdom also cease testing such weapons. Otherwise, any negotiations concerning questions of control, whether they be on the level of experts or any other level, will inevitably become fruitless discussions and will, naturally, have no real results.

To make the cessation of tests of atomic and hydrogen weapons contingent upon the solution of other disarmament questions, concerning which there are still serious differences of opinion and the solution of which is a more

⁶ Handed to the U.S., U.K., and French Ambassadors at Moscow on May 5 by Soviet Foreign Minister Gromyko.

⁷ Not printed.

the preparatory work for this conference in as short a period as possible, the Soviet Government for its part submits for consideration at the conference the following questions and at the same time sets forth some views on these questions:

complex matter, would be tantamount to an actual refusal to cease the atomic and hydrogen weapons tests. Although the immediate cessation of nuclear weapons tests by all the powers possessing such weapons would place the Warsaw Pact member nations in an unfavorable position in comparison with the NATO nations, since the Soviet Union has carried out considerably fewer experimental explosions of atomic and hydrogen weapons than the USA and the United Kingdom, nevertheless the Soviet Union has consented to this in the desire to make a practical beginning for the cessation of the atomic arms race. The acceptance of this proposal by the United States of America and the United Kingdom would put an end to tests of atomic and hydrogen weapons everywhere and forever.

Renunciation of the use of all types of atomic, hydrogen, and rocket weapons

The Soviet Government considers that the achievement of agreement on the joint renunciation by the states possessing nuclear weapons—the USSR, the USA, and the United Kingdom—of the use of all types of such weapons, including air bombs, rockets, of any range, with atomic and hydrogen warheads, atomic artillery, etc., would be an important step toward eliminating the danger of atomic war and reducing tension in relations between states. In case agreement is reached to renounce the use of nuclear weapons, any government that would dare to violate such an agreement would reveal itself to the eyes of the peoples as an aggressor, as an enemy of peace.

The great significance of such an agreement is confirmed by historical experience. As is known, the Geneva Protocol of 1925 on the prohibition of the use of chemical and bacteriological weapous played an important role in the matter of preventing the utilization of such types of weapons during the Second World War. In the opinion of the Soviet Government, the decision to renounce the use of atomic, hydrogen, and rocket weapons could be legalized by means of extending the Geneva Protocol of 1925 to nuclear and rocket weapons.

The Soviet Government considers that an agreement of the powers now, at this stage, to renounce the use of nuclear and rocket weapons would create an auspicious basis for the achievement, at the next stage, of such measures as the complete and unconditional prohibition of nuclear weapons, the cessation of their production, with their elimination from the armaments of states, and the liquidation of all stockpiles of such weapons.

3. Creation in Central Europe of a zone free of atomic, hydrogen and rocket weapons

At the present time, two groups of states oppose each other in Central Europe and armed forces and armaments of various types, in quantities abnormal for peacetime, are concentrated there. This one circumstance alone creates a serious threat to peace and it is impossible to ignore the fact that in such a situation, by evit intent or by chance, the fires of a new war can break out with the use of the most modern means of destruction, that is, nuclear and rocket weapons.

In order to preclude the danger of such a turn of events, the Soviet Government deems it expedient to examine at the conference the proposal of the Government of the Potish I'cople's Republic concerning the creation in Europe of a zone free of atomic, hydrogen, and rocket weapons, which would include the territories of the Polish People's Republic, the Czechostovak Republic, the German Democratic Republic, and the Federal Republic of Germany. Assumption by these states of the obligation not to produce or to permit the stationing on their territories of nuclear weapons of all possible types, and also the establishment of sites for the launching of rockets eapable of carrying nuclear warheads, would undoubtedly help to prevent the possibility of military conflicts breaking out in the center of Europe. In as much as the Governments of the Polish People's Republic, the Czechoslovak Republic, and the German Democratic Republic have already declared their agreement to be included in a zone free of atomic weapons, the creation of such a zone now depends only on the agreement of the Government of the Federal Republic of Germany.

Agreement among the Governments of the USSR, the USA, the United Kingdom, and France on the advisability of creating a zone free of atomic weapons in this area of Europe would undoubtedly facilitate reaching an agreement with the Government of the Federal Republic of Germany with regard to the Federal Republic of Germany's joining this zone.

Agreement on the creation of a zone free of atomic weapons in Europe will be effective if, along with the corresponding obtigations of the states included in the said zone, the powers that include nuclear and rocket weapons among the armaments of their forces would, for their part, assume an obligation to respect the status of this zone and consider the territory of the states included in it as excluded from the sphere of use of atomic, hydrogen, and rocket weapons. As for the Soviet Union, it has already declared its readiness to assume the abovementioned obligations if the Governments of the US, the United Kingdom, and France do the same.

The obligations of the states included within the zone and the obligations of the Great Powers could be legalized both in the form of an appropriate international treaty and also in the form of appropriate unilateral declarations.

For the purpose of ensuring the effectiveness of the obligations and their fulfillment, the states concerned would be obligated to establish in the territory of the zone free of atomic weapons a system of broad and effective control, both on land and in the air, with the establishment of control points by agreement of the states concerned. The creation in the center of Europe of a zone free of atomic weapons would be an important step on the road toward cessation of the dangerous arms race and removal of the threat of atomic war.

4. Non-aggression pact

Seeking to further the easing of international tension, the Soviet Government considers that it would be in the interests of eessation of the "cold war" and of the arms race to conclude in one or another form a non-aggression pact (or agreement) between the states members of NATO and the states participating in the Warsaw Pact. Conclusion of such a pact would be an important step on the road toward the creation of an all-European system of security and the strengthening of mutual trust and cooperation between states.

If the Western powers display a desire to conclude such a pact or agreement, then in the opinion of the Soviet Government it would not be difficult to come to an agreement on its form on the basis of a multilateral agreement among all countries included in the Warsaw Pact organization and the North Atlantic Alliance, or among certain countries belonging to these groups, or, lastly, in the form of non-aggression agreements on a bilateral basis between separate members of these groups.

The Soviet Government considers that the basis for such an agreement must be the mutual renunciation by the contracting parties of the use of force or threat of force and the obligation to settle disputes which may arise between the parties to the agreement by peaceful means alone. The desirability of mutual consultations among the parties to the agreement, in connection with the fulfillment of the obligations undertaken by them under the agreement, should also be envisaged.

Such a pact could be open to accession by all the other states of Europe in order to facilitate the creation at a later stage of a system of all-European security and the gradual liquidation of existing military-political groups.

In proposing the conclusion of a non-aggression pact, the Soviet Government regards it as the first step toward a radical improvement in the relations among the states included in the North Atlantic Alliance and the Warsaw Pact organization and as a prerequisite for the conclusion at a later stage of a broader treaty on European security.

5. Prohibition of the use of outer space for military purposes; liquidation of foreign military bases in foreign territories; international cooperation in the study of outer space

Scientific-technical progress in the realm of rocket technology has raised the question of what direction the use of the latest scientific achievements will take: Will they serve peaceful purposes or will they be used for furthering the arms race, increasing the danger of the outbreak of an atomic war?

An effective measure, which would completely exclude the possibility of using outer space for military purposes and which would ensure application of the tremendous achievements in the creation of rocket and artificial earth satellites exclusively for peaceful purposes, would be a complete and unconditional ban on atomic and hydrogen weapons, together with their exclusion from armaments and the destruction of stockpiles. Since this is difficult at the present time, owing to the position of the Western powers, and must obviously be realized at a later stage, the Soviet Government proposes that at the present stage agreement be reached on a ban on the use of outer space for military purposes with, at the same time, the liquidation of military bases in foreign territories, first of all in the terri-

tory of the countries of Europe, the Near and Middle East, and North Africa. Such a measure would be in the interest of the security of all states. As for the states in whose territory such military bases are situated, such a decision would only be to their advantage, as the liquidation of military bases would remove the threat to which they subject themselves by making their territory available for the establishment of foreign military bases.

Guided by these considerations, the Soviet Government proposes a discussion of the question of concluding an international agreement on the use of outer space for peaceful purposes, which would include the following basic provisions:

A ban on the use of outer space for military purposes and an obligation on the part of states to launch rockets into outer space only in accordance with an agreed international program.

Liquidation of foreign military bases in the territory of other states, first of all in Europe, the Near and Middle East, and North Africa.

Establishment, within the framework of the UN, of appropriate international control of the fulfillment of the above obligations.

Creation of a UN agency for international cooperation in the field of the study of outer space.

Conclusion of such an agreement would lead toward broad international cooperation in the peaceful use of outer space and would initiate joint research by scientists of all countries in problems connected with the cosmos.

6. Reduction in the number of foreign troops stationed in the territory of Germany and within the borders of other European states

Consistently seeking the necessary agreement with other powers, the Soviet Union more than once has introduced concrete proposals on disarmament, and has also carried out a series of unilateral measures for reducing its own armed forces and armaments, proceeding from the premise that the other Great Powers will, for their part, follow this example. The Soviet Union Is an advocate of a radical solution of the disarmament problem, a substantial reduction in the armed forces and armaments of states, the complete withdrawal of foreign armed forces from the territory of European states members of both military groups, including Germany, and the liquidation of all foreign military bases on foreign territories.

However, inasmuch as the Western powers have hitherto not displayed their readiness to come to an agreement on all these questions, the Soviet Union proposes, at this stage, that a start be made toward the solution of those questions on which there already exists a complete possibility of reaching an agreement. The Soviet Government proposes a gradual reduction of foreign troops in foreign territories and submits the proposal, in the nature of a first step, to reduce during 1958 the armed forces of the USSR, the US, the United Kingdom, France, and other states having troops in the territory of Germany, by one-third or to any other agreed extent. The reduced

contingents of these troops must be withdrawn from the territory of Germany inside their own national frontiers.

The question of a substantial reduction in the armed forces and armaments of states and the conclusion of an appropriate international agreement with this objective, as well as the complete withdrawal of foreign armed forces from the territories of the states members of NATO and the Warsaw Treaty could be discussed during the following stage of negotiations.

7. Conclusion of a German peace treaty

All the peoples of Europe, which were drawn into the war on the side of Hitlerite Germany, have long been enjoying the fruits of a peaceful situation and have been building their life independently, whereas the German people are still deprived of the conditions for the peaceful development of their country and existence on equal terms with other peoples. The absence of a peace treaty also has a negative effect on the solution of its national task of unifying the country. Furthermore, the lack of a solution for questions connected with a peaceful settlement in Germany is used by those who do not value the fate of peace in Europe for drawing the Western part of Germany into preparation for atomic war.

Under these conditions, the Soviet Government considers that the powers responsible for the development of Germany in a peaceful manner should strive to attain a peaceful settlement with Germany as soon as possible. Being an advocate of such a settlement, the Soviet Government relterates its proposal for a discussion at a summit conference of the question concerning the preparation and conclusion of a German peace treaty.

However, taking Into consideration the attitude of the Governments of the US and other Western powers toward this proposal, the Soviet Government would be ready at the forthcoming meeting to come to an agreement at least on the first steps toward the solution of this question, namely, to agree, at the present stage, on the basic principles of a German peace treaty and the manner of its preparation. In this, the Soviet Government proceeds from the premise that preparatory work toward conclusion of a German peace treaty, with the participation of German representatives from the GDR and the FRG, would give impetus to the unification of the efforts of the German Democratic Republic and the Federal Republic of Germany toward their rapprochement and restoration of the unity of the German pcople.

8. Prevention of surprise attack against one state by another

Inasmuch as it still does not appear possible at the present time to resolve the problem of disarmament in full and there is talk of reaching an agreement regarding partial measures of disarmament, the Soviet Government proposes that the questlon of the prevention of surprise attack be gradually resolved, according to the nature of the measures, in the field of disarmament in the first stage. It would be necessary to come to an understanding concerning the establishment of control

posts at railroad junctions, in large ports, and on main highways, and concerning the taking of aerial photographs in the zones of demarcation of the principal armed forces of the military groups in Europe, at the present stage in definite limited areas, which will be considered as the most important from the point of view of eliminating the danger of surprise attack.

In proposing such an approach to the solution of this problem, the Soviet Government proceeds from the premise that the Western powers have recognized the practical value of the Soviet proposal concerning the establishment of control posts as a means of preventing surprise attack. This gives a basis for hope that the conference can come to an agreement on this question.

The Soviet Government reiterates its proposal on the establishment in Europe of a zone of aerial inspection to a distance of 800 kilometers east and west of the line of demarcation of the armed forces of the NATO and Warsaw Pact military groups.

As for the proposal for carrying out aerial photography of vast regions or of the whole territory of the USSR and the USA, this question cannot be considered apart from measures for easing international tension and strengthening trust between states, especially between. the Great Powers. In the present international situation, with the continuing arms race, which causes international tension as well as distrust and susplcion in the relations between states, with the "cold war" casting its black shadow over the whole international situation, the proposai concerning reciprocal flights over the entire territories of both countries is unrealistic. The Soviet Government considers, however, that this step can be carried out at the concluding stage of the problem of disarmament, that is, when the question concerning the complete ban on atomic and hydrogen weapons, with their elimination from armaments, concerning the substantial reduction of the armed forces and armaments of states, and concerning the liquidation of military bases In foreign territories is settled, that is, when relations of trust between states are actually established.

9. Measures to expand international trade relations

The Soviet Government considers that at the present time there are real opportunities for taking a number of steps to expand international trade relations as the natural and most dependable basis for peaceful cooperation among alt states independently of the differences in their social systems. For the restoration and expansion of the trade of the Western countries with the enormous market of the East, where about a billion people live, it is essential above all to remove the discrimination and barriers hitherto existing, which hinder the expansion of international trade.

At the present time, as a result of the industrial slump and the decline in trade, a number of Western countries are experiencing serious economic difficulties, the remedy for which should also be sought by means of the development of international trade and not by means of an armaments race, or the Intensification of economic war and blockade.

As concrete measures for the expansion of international trade, the Soviet Government proposes the adoption of a declaration of the basic principles of international economic cooperation, in which it would be desirable to include clauses on the observance of full equality; mutual benefit; the inadmissibility of any sort of discrimination in economic and trade relations between states; respect for the soverign right of each state to dispose of its own wealth and natural resources; mutual assistance and aid to underdeveloped countries in their economic growth without the presentation of any sort of demand of a political, military, or other character incompatible with the national sovereignty of those countries.

There is also an urgent need to hold an international economic conference at which it would be desirable to discuss the question of the further development of international trade on a long-term basis so as to establish confidence and stability among trading countries, and also to discuss the question of the creation, within the framework of the UN, of an international trade organization open to all countries.

It would likewise be necessary to discuss such urgent questions as the rational utilization of world economic resources and the granting of aid to underdeveloped countries. For such aid, it would be possible to find additional funds by means of the reduction of expenditures for armaments.

10. Development of ties and contacts between states

The Sovlet Government attaches great importance to the development of international contacts, and stands immutably for the development of contacts between East and West. The establishment of broader political, economic, and cultural ties between countries, independent of their social system, on the basis of mutual respect for sovereign rights and non-interference in their internal affairs satisfies the vital interests of peoples, and promotes the strengthening of friendship and of economie cooperation among them. This is confirmed, in particular, by the successful completion of bilateral negotiations and the signing in Washington of a Soviet-American agreement in the fields of culture, technology, and education, as well as by the successful collaboration of the scientists of many countries in the program of the International Geophysical Year.

The Soviet Government also attaches great importance to the establishment and expansion of regular personal contacts between government and public figures of the countries of the East and the West for an exchange of opinions on current international questions. The expansion of such ties and contacts in the near future could be realized by means of the mutual exchange of parliamentary delegations and delegations of public entities; mutual exchange of delegations of scientific, technical, and cultural workers; mutual exchange of artists, theater troupes, symphony orchestras, etc.; mutual exchange of scientific and technical literature and documents, including designs and blueprints of machines and equipment, descriptions of technological processes, etc.; free access to industrial exhibitions; mutual exchange of students, pro-

fessors, and university delegations; every kind of encouragement for tourism, sporting events, etc.

11. Cessation of propaganda for war, hostility, and hatred between peoples

Notwithstanding the fact that ten years have already passed since the adoption in October 1947 of the resolution of the UN General Assembly on the banning of propaganda for war, this unanimous resolution of the assembly is not being implemented in a number of countries. The idea of inevitability of a new war is being continually suggested to the peoples of these countries in the press, by radio and television, and by other means; the necessity of a race in nuclear armaments and of a further increase in military budgets and taxes on the population is being urged.

There is no doubt that, with good will and a mutual desire on the part of all participants in the summit conference, it would not be difficult to reach an understanding on the question of ceasing propaganda for war and carrying on instead a propaganda for friendship among peoples.

A settlement of this question could be achieved by means of the adoption of a joint declaration whereby the governments participating in the conference would confirm their intention to carry out faithfully the resolution of the UN General Assembly of October 1947 on the banning of all kinds of propaganda for war lnimical to the cause of peace and mutual understanding and would undertake to adopt effective measures for the suppression of such propaganda in their own countries.

12. Ways to ease the tension in the Near and Middle East

In recent years in the Near and Middle East there have periodically come into being centers of tension containing the seeds of dangerous international conflicts capable of leading to a breach of world peace. In order to reduce tension in the Near and Middle East, it is necessary to create in the countries of that region the assurance that any breach of peace in the Near and Middle East on the part of any aggressive forces whatsoever will be decisively condemned and stopped. One of the measures could be a joint declaration of powers condemning the use of force in the settlement of dlsputes in the Near and Middle East, as well as interference in the internal affairs of the countries of that region. It would also be possible to come to an understanding on the mutual obligations of the countries participating in the conference not to supply weapons to the countries of the Near and Middle East, and also not to station nuclear and rocket weapons in those countries.

Considering the economic difficulties being experienced by the countries of the Near and Middle East, and their aspiration to consolidate their independence, the necessity arises of also considering the question of economic collaboration with the countries of the Near and Middle East, especially in the field of assistance for the creation in them of a national industry, proceeding from the principles of full equality and mutual benefit without the imposition upon them of any political, military, or other conditions whatsoever that are incompatible with the principles of independence and sovereignty.

SOVIET AIDE MEMOIRE OF MAY 58

Unofficial translation

The Soviet Government, having studied the reply of the Government of the United States and also the replies of the Governments of Great Britain and France to the Aide Memoire of the Government of the USSR dated April 26,9 notes that the governments of the three powers have agreed with the Soviet Government's proposal that preliminary exchange of opinion through diplomatic channels on necessary preparation for a foreign ministers meeting should be effected in accordance with the practice generally accepted in such cases, through conversations between the Foreign Minister of the USSR and each of the ambassadors. The Soviet Government, like the governments of the United States, the United Kingdom, and France, considers that the acceptance of such procedure in no way predetermines the composition of the future foreign ministers meeting and summit conference.

At the same time, the Soviet Government expresses regret that the governments of the three powers did not agree to the invitation, at the present stage of preparation for the summit conference, of representatives of Poland and Czechoslovakia, whose participation would undoubtedly help to produce positive results.

The Soviet Government does not share the opinion of the U.S. Government that the procedure for the exchange of opinions through diplomatic channels proposed by the Soviet Union was allegedly likely to hamper preparatory work for the summit conference. In its aide-memoire of April 26 the Soviet Government touched upon the causes of the delay in preparing for the summit conference and at the present time would merely like to point out that this delay hitherto occurred through no fault of the Soviet side and contrary to its desire.

Now that the question of the procedure for the exchange of opinions through diplomatic channels has at last been agreed upon, the Soviet Government expects all the sides to exert necessary efforts for the earliest accomplishment of this work. As for the nature of the exchange of opinion through diplomatic channels on the question of preparing for the foreign ministers meeting, the Soviet Government proceeds from the necessity of concluding as soon as possible the preparatory work for this meeting and sees no reasons for relegating to the background the discussion of questions connected with the organization of the ministers meeting.

It is envisaged that during the exchange of opinion through diptomatic channels the parties will also agree on the most expedient procedure for discussing the questions, including questions connected with the organization of a foreign ministers meeting. As already pointed ont, the Soviet Government does not exclude the possibility that an exchange of opinion on some of the questions which the sides propose for the agenda of the summit conference can take place, in case of necessity and by common consent, during the meeting with the ambassadors and during the foreign ministers conference with the object of ascertaining the advisability of placing this or that question on the agenda of this conference and the possibility of adopting mutually acceptable decisions on them.

The Soviet Government expresses the hope that the Government of the United States will on its part exert efforts to reach agreement on a foreign ministers meeting in the nearest future, which in turn should insure the earliest convocation of a summit conference with the participation of the heads of government.

Identical aides-memoire have also been handed to the ambassadors of the United Kingdom and France in Moseow for transmission to their governments.

President Eisenhower Exchanges Notes With Visiting President of Germany

Following is the text of a note sent by President Eisenhower to the President of the Federal Republic of Germany at the close of the latter's 3-day visit to Washington, together with the text of President Heuss' reply.

White House press release dated June 16

President Eisenhower to President Heuss

June 7, 1958

DEAR MR. PRESIDENT: This note is just to wish you health and happiness as well as enjoyment of the visit you are making around our country.

We, in Washington, have been honored by your presence and express the wish that you will carry from the city pleasant memories.

With expressions of high esteem and affectionate regard in which sentiments Mrs. Eisenhower joins me, I am,

Sincerely,

DWIGHT D. EISENHOWER

President Theodor Heuss
Blair House

President Heuss to President Eisenhower

Detroit, June 8, 1958

DEAR MR. PRESIDENT: I am now busily engaged in acquainting myself with the manysidedness of the "States": Philadelphia's bustle was followed by the grace-

¹ For background, see Bulletin of June 30, 1958, p. 1099.

⁸ Handed to the U.S., U.K., and French Ambassadors at Moscow on May 5 by Soviet Foreign Minister Gromyko.

⁹ For text of tripartite statement of May 3 and Soviet aide memoire of Apr. 26, see Bulletin of May 26, 1958, p. 852.

ful calm of Hanover and of Dartmouth College; Detroit's dynamic development will in future take its place in my memory together with the balanced beauty of Ann Arbor—those were two inspiring days. I was able to have many a good conversation and everywhere 1 met with great human kindliness.

I was privileged, Mr. President, to have your kind letter. I should not like to delay my reply until I leave your country two weeks hence; I know already today that I will be richer because of these most vivid impressions. The warm hospitality with which I was received in your home was for me a most wonderful overture to this journey of "discovery" to the "New World". I was touched to receive as a remembrance a present with such rich associations ²—Jefferson is one of those great figures

of American history whom I love; I always felt a particular personal affection for him, a man of thought and a man of action.

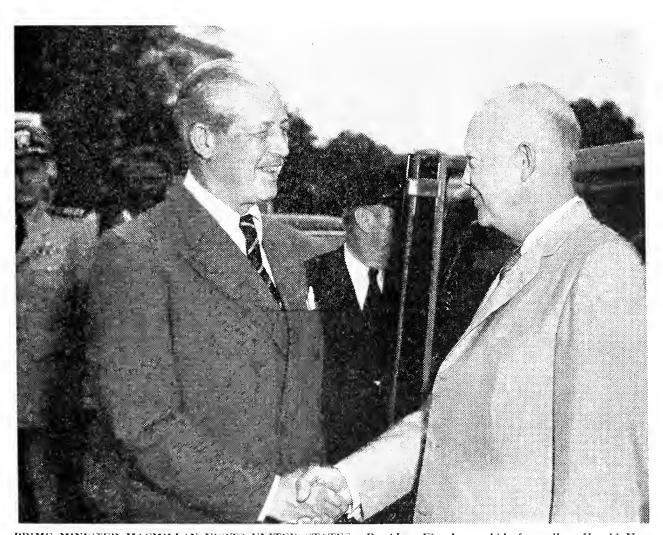
Already today I am certain that this visit to the U.S.A. will be of great profit to me in broadening my knowledge and understanding.

In many cases it will confirm what was revealed to me by historical studies and information from American friends. But I believe that I may also hope that the manifold contacts with American citizens will remain useful for the spiritual relations and thus also for the political ties between our two nations.

With the request to convey my best wishes to Mrs. Eisenhower I remain with gratitude and best regards,

Yours,

THEODOR HEUSS



PRIME MINISTER MACMILLAN VISITS UNITED STATES. President Eisenhower bids farewell to Harold Macmillan, Prime Minister of the United Kingdom, at the close of the Prime Minister's unofficial visit to Washington June 7–11. Mr. Macmillan came to the United States to receive an honorary Doctor of Laws degree and to deliver the commencement address at DePauw University, Greencastle, Ind., on June 8. (His maternal grandfather was the first medical graduate of DePauw University.) He also made the commencement address at the Johns Hopkins University, Baltimore, Md., on June 10. While he was in Washington, the Prime Minister had a series of informal talks with President Eisenhower, Secretary Dulles, and other Government officials.

July 7, 1958 23

² President Eisenhower presented to President Heuss a reproduction of a table designed by Thomas Jefferson.

The Soviet Challenge and American Education

by Francis O. Wilcox Assistant Secretary for International Organization Affairs ¹

No one can deny that the college graduates of 1958 face a life span in which incredible changes will take place. You will see intercontinental missiles able to reach distant targets with remarkable accuracy. You will see an earth shrunk to infinitesimal size by planes traveling far faster than the speed of sound. You will see the creation of weapons even more destructive than hydrogen bombs. You will see fantastic new methods of growing food, of building homes, and of traveling through space that the human mind cannot now comprehend. You will embrace the atomic age with its unlimited power for good and evil.

These developments will have a tremendous impact upon our foreign policy. They will raise again urgently the question as to whether man will submit to a rule of law in the world or invite annihilation in another great war.

I would like to explore with you some of the elements of this new age. In particular, I would like to discuss the implications and challenges of the new age and the demands which these challenges impose on American education.

A Changed World

It is perhaps trite to point out that we live in a changed world—vastly different from anything we have known before. It has been changed, on the one hand, by a series of remarkable scientific and political developments and, on the other, by a threat to individual life and liberty unparalleled in history.

Technologically man is making steady progress toward the conquest of outer space. Artificial satellites are continually circling the earth in their orbits. Their development has opened almost limitless possibilities for the advancement of mankind in such fields as radio communications, navigational and air safety, and weather forecasting. They may even help to improve our diet, our health, and many other aspects of our daily life. These prospects are within the realm of achievement provided that nations can agree to the use of outer space solely for peaceful pur-This kind of agreement would have a momentous effect on relations between nations. Scientific and material advantages would accrue to all mankind. Good faith demonstrated on both sides of the Iron Curtain would also help to relax the tensions which now beset the world.

However, developments in outer space are only a part of the miraculous gains which have been achieved in science and technology. Man is rapidly harnessing atomic energy. This, too, will have a momentous impact in many facets of human endeavor. Fortunately, efforts are under way to achieve international development and control of these possibilities through the International Atomic Energy Agency, which came into being last October and is now a going concern.

The Challenge of Nationalism

These scientific advances have been accompanied by far-reaching political challenges. These political challenges stem mainly from the nationalism which is manifesting itself forcefully in the less developed countries, particularly in Asia and Africa. This dynamic force carries with

¹ Address made at commencement exercises at the State University of Iowa, Iowa City, Iowa, on June 13 (press release 321 dated June 12).

it an explosive potential which in some respects is comparable to that of a nuclear bomb. In every quarter of the world peoples of these newly developing countries, in addition to their demands for national sovereignty, are clamoring for the material benefits which they associate with independence. Three-quarters of the world's population live in squalor and misery. More and more, these peoples are insisting on a rising standard of living. They are impatient for tangible results. The Soviet Union is well aware of their hopes and ambitions, and it is sparing no effort to exploit their aspirations with promises of a short cut to paradise which, in fact, is a dark and narrow alley to slavery.

These new developments are fast remolding man's entire relationship to his world and to the universe. The world, already shrunk by modern means of communication and transportation, will shrink even further with the scientific advances which are now in their infancy. As a result, mankind will become increasingly interdependent. Common problems will require a common approach. International organizations such as the United Nations will be called upon to play an increasingly important role as a center for resolving these issues and promoting the well-being of mankind.

These are the elements of this new age and its challenges for mankind. But there is one other formidable challenge for us and the entire free world. I refer to the increased power of the Soviet Union as it enters the new age.

The Nature of the Soviet Challenge

The Soviet challenge is a multiple challenge. It is primarily military in character. But it also has important scientific, political, economic, and educational aspects.

The launching of the first Sputnik provides a striking demonstration of the vast capabilities of the Soviet Union in science and technology. These capabilities have also been reflected in the military field where long-range missiles, including the ICBM, have been developed. As a result, the U.S.S.R. today has a large nuclear striking power to which we and other free nations are constantly exposed. I might add in this connection that our advance-warning time in case of surprise attack by missiles over the top of the world would amount to

something like 15 minutes, with no part of the country safe by virtue of distance.

Economically the Soviet threat provides equal cause for concern. In 30 short years the Soviet Union, at a terrific cost in human misery and suffering, has progressed from a backward, agricultural country to the second most heavily industrialized nation in the world. According to Mr. Khrushchev the U.S.S.R. aims at "catching up and surpassing the United States in per capita production within the shortest possible historical period of time." The Soviet gross national product is increasing between 6 and 7 percent annually. During the past decade its output of electric power rose from 56.5 billion to 210 billion kilowatt hours and oil production from 26 million to 98 million metric tons. By 1972 the Soviets plan to produce as much crude oil as the United States does today. Even the inveterate optimist would agree that these are undeniable indications of a rapidly expanding economy.

The Soviets also have been quick to use their increased economic might as a political weapon. Since World War II, 20 new nations have emerged upon the world scene. The Soviets, aware of their intense desire for rapid industrialization, point to their own experience as concrete evidence of a "quick and easy" way to acquire this coveted status, and they follow it up with seemingly attractive offers of assistance. In the past 2½ years the Sino-Soviet bloc has committed the equivalent of about \$1.9 billion in economic and military aid to these new states. The Communist bloc has more than doubled its trade with these countries since 1954.

Nor is this economic offensive confined to the newly developing nations. About 70 percent of the Soviet Union's increased trade outside the Communist bloc in 1957 was with the industrial nations of Western Europe.

The implications of this economic offensive are enormous. Unhampered by the checks and balances of democratic procedures at home, the Soviet Union is free to pursue a program of economic penetration which can bind the political machinery of unsuspecting nations to its will.

This threat alone makes our trade and our foreign-assistance programs even more necessary than ever before. They are not "giveaway" programs. They are essential to keep free nations strong in order that free men may stay free. By

helping them maintain their freedom, we help preserve ours.

This increased Soviet power has encouraged their leaders to inject a more aggressive note into their foreign policy while simultaneously posing as the great champions of peace. They charge American aircraft with "provocative flights in the direction of the Soviet Union" over the Arctic Circle. Yet they flatly reject our proposals to set up international inspection zones in the Arctic area. They piously announce their cessation of nuclear tests after completing the most extensive series of their own shrouded by the utmost secrecy. But they are curiously silent on proposals to stop producing nuclear weapons. They brutally suppress the freedom of the Hungarian people with tanks and troops. However, they refuse to allow a United Nations representative to enter the country to survey the situation on the grounds that it is "an internal Hungarian matter." They loudly proclaim the virtues of "peaceful co-existence." But they do their utmost to subvert the governments of newly developing countries in Latin America, Africa, and Asia.

This aggressive Soviet policy is being implemented vigorously through the U.S.S.R.'s propaganda machinery on a broad front.

These, then, are the main components of the Soviet challenge. Together they represent a centrally directed, shrewdly and ruthlessly executed campaign for world domination.

The enhanced power of the U.S.S.R., particularly in the scientific and technological fields, is to a large degree the product of Soviet education. The Soviets have assigned top priority to the training of scientists and engineers in their schools and universities. This is a relatively easy task for an authoritarian state, where people can be told what they must do.

The Role of Soviet Education

Education in the Soviet Union is as carefully regimented as its industry. Also, like Soviet industry, the nation's education system has been developed by compulsory measures and for the purposes of the Soviet regime. For example, in 1914 there were 86,500 students in institutions of higher learning within the present boundaries of the Soviet Union. Last year there were 1,227,400. Again, some 10,700 "specialists" graduated from secondary and higher special educational institu-

tions in 1914. In 1955 they totaled 1,634,000. These figures reflect the heavy Soviet emphasis on scientific training and its practical application in engineering and technology. That is what the Soviet leaders wanted. That is what they got.

Other aspects of Soviet education are also geared to the grim purposes of the state. For example, the Soviets require that personnel in their foreign-aid programs have a working knowledge of the language of the country to which they are sent. In the Soviet Union every high-school student must study one foreign language for 6 years. If he attends the university, he must learn a second foreign language—which, significantly, must be one of the languages of Asia or Africa.

There are, I might add, an amazing total of 10 million Soviet students studying English. By comparison, half of our high schools do not teach any foreign language. In those which do, less than 15 percent of the students study a foreign language for even as much as a year. Only 8,000 American students are studying Russian, and those who are learning African and Asian languages are rarer still.

I cite these hard facts to demonstrate that Soviet education is a potent force to reckon with. Like everything else in Russia, it is geared to the needs of the state; it is an essential instrument in implementing the expansionist policy of Soviet imperialism. It is carefully coordinated with Soviet foreign-policy objectives.

Meeting the Soviet Challenge

These challenges, of course, have not gone unmet by the United States. With strong bipartisan support, both in Congress and out, we have reacted vigorously to the Soviet threat.

First. We have contributed strong support to the United Nations as a proven instrument of collective security and as a center for the peaceful settlement of disputes and the development of programs to improve man's lot in life. The United Nations has provided us with a powerful forum in which we can present our policies and expose the fallacies in Soviet propaganda.

Second. The United States has built up its own defense establishment to insure not only ourselves but the entire free world against the awful perils of surprise attack. The Strategic Air Command, aided by the latest monitoring devices and an elaborate detection and warning system,

provides the backbone of this powerful deterrent. Our other weapons—the nuclear submarine, rockets and rocket-launching devices, missiles—in fact, the entire arsenal of our modern weaponry is maintained at peak quality.

Third. In cooperation with our allies we have developed regional collective-security systems which today provide the free world with its chief defense against potential aggression by the Soviet Union. I refer specifically to such arrangements as the North Atlantic Treaty Organization and the Southeast Asia Treaty Organization. Equally important is the fact that these regional agreements are promoting not only military cooperation among their members but also cooperation in the political, economic, and cultural fields.

Fourth. Our mutual security program is helping friendly nations to equip and maintain armed forces for their own and our defense. It is also assisting the less developed countries to build up sufficient economic strength to maintain their freedom and help sustain the peace. Unlike the Soviet Union, we do not want political satellites. But we do need strong allies who can help us repel aggression anywhere, and strong allies need strong economies and stable governments.

Fifth. The United States also has taken positive steps to meet the Soviets' worldwide propaganda campaign. The United States Information Agency carries out a program which presents honestly and factually all aspects of American life. Truth is the most impressive asset of this program. It is significant that the Soviets spend more money on jamming the Voice of America broadcasts than we spend on the entire operations of the United States Information Agency. Obviously, the truth hurts the Soviet Union.

We and our allies have, in short, built up a fabric of political, military, and economic defenses unparalleled in history. I do not believe, however, that it would be immodest to suggest that the support of this fabric depends in large measure on us, our strength, ability, and resourcefulness. It is in this context that American education, particularly higher education, has an extremely vital role to play.

Implications for American Education

Obviously, education in a free society does not operate in the Soviet manner. We must meet the challenge in our own way. I do not believe that

the way to meet the challenge is for every student to decide suddenly that he must become a scientist or an engineer. The revelation of Soviet scientific capabilities has produced widespread demands that something be done soon to improve the quality of our scientific training and the quantity of our scientists and engineers. Necessary as this is, I do not believe that it is the complete answer to our educational needs.

In fact, the social sciences are already decades behind the physical sciences. If, in spite of this unfortunate lag, we should make the mistake of overemphasizing science at the expense of the humanities and the social sciences, we will run the grave danger of throwing our educational system out of balance and turning out students who are intellectually unequipped to face the complex problems of the modern world. Our needs are far deeper and cannot be met by a single reflex action of this kind.

I confess I am at a loss to know whether we should chastise the physical scientist or the social scientist for the dangerous predicament we are in. But I do know that, if man's political ability does not begin to match his inventive genius in the field of science, if progress in government and international organization does not begin to keep pace with progress in technology, mankind will surely face collective suicide.

New Attitude Toward Learning

Clearly one basic need is a fundamental change in American attitudes toward learning and knowledge. Unfortunately the place of the scholar in American life has never ranked as high as it should; all too often teachers are looked upon as peculiar individuals who teach because they can't find anything else in life to do.

This anti-intellectual atmosphere—which is indeed regrettable—has its other aspects. Young students with a genuine desire and ability for learning are sometimes socially ostracized by their fellow students. The adult "egghead" is treated with equal scorn and ridicule. And sometimes the inquiring mind is even associated with disloyalty or subversion.

Now obviously this is not an ideal atmosphere in which to expect education to flourish and a revitalization of the arts and sciences to take place. Unless we can cultivate among our students a genuine desire to learn because they want to learn, and unless there is real respect and admiration for the teacher, any learning that may occur will, at best, be superficial in nature.

The Role of the Teacher

Our current attitudes toward education are reflected in the parsimonious manner in which we reward our teachers, socially as well as financially. The amount of money we spend on education in this country is woefully inadequate. We devote approximately 5 percent of our national income to education; the Russians spend in the neighborhood of 17 percent. The Russian professor is paid far more than his American counterpart.

Apart from that, consider the contrast between the two in terms of prestige and status in the community. Soviet scientists, professors, and teachers constitute an elite class. They are at the pinnacle of Russian society. Nor is this all they receive. There are material and visible signs of their privileged position. They are allotted the best apartments in the city and plush villas in the country. Their children attend the best schools. Their families enjoy the choice vacation spots. They are honored by the state in numerous ways so as to enhance their position of social and moral authority.

Now I do not suggest we should create such an elite class or institute a slavish adulation of the teaching profession. But in a democracy, where freedom of thought is the bedrock of our free institutions, there is no higher calling. Our teachers, more than any other group, are the molders of tomorrow's ideas, the caretakers of tomorrow's civilization. We are penny wise and pound foolish in the extreme if we fail to accord to them at least the recognition and the compensation which we provide for labor, government workers, and the armed services.

New Emphasis in Educational Programs

However, a changed attitude toward learning itself is not enough. In addition we must reevaluate our concept of the nature and purposes of education if we are to develop the kind of leadership and intelligent citizenry essential to our survival as a free society.

True, we need scientists, engineers, and technicians, but we cannot afford their being politically illiterate. Their role in society is so impor-

tant that they must be acutely aware of the forces at work in the world about them. In particular, communism must be understood. It is not enough to hate communism or to berate it. Clearly it is not something that can be swept under the rug. Communism must be understood—its origins and history, its techniques, strengths, and weaknesses, together with its specious appeal—if it is to be combated effectively. Anything short of teaching our students the cold, hard facts about communism constitutes a dereliction of our duty as citizens and is gambling with our heritage of freedom.

But education has far broader purposes than an understanding of the Soviet challenge. In this connection the colleges and universities have a tremendously challenging role. Personally I would like to see more community education activities on world affairs and expansion of the student-exchange program. I would like to see more faculty members coming to Washington to be exposed to our problems at first hand and more government officials returning to the college campus where they could teach and think and charge their intellectual batteries.

Above all I should like to see the colleges and universities make a concerted effort to reach the leaders of tomorrow—especially students in medicine, dentistry, engineering, the humanities, the physical sciences, and education—with broadgaged courses in world affairs. No student should be permitted to escape from his tour of duty in the classroom without a sound grasp of the nation-state system and the forces that make for war and peace in the world.

Training for Responsibilities of World Leadership

Americans must prepare themselves to assume the increasing responsibilities of free-world leadership. One fundamental requirement in this preparation, in my opinion, is a broader and deeper understanding of certain basic forces at work in the world. Only increased attention to history, government, economics, and foreign affairs will provide this understanding. Such an understanding must be as widespread among our potential leaders as it is deep and solid; otherwise it will avail us little.

In addition our educational system must place more emphasis on those vast areas of knowledge which stretch beyond the traditional confines of

Western culture and civilization. History and culture do not stop at the eastern end of the Mediterranean Sea nor at the Golden Gate in San Francisco. True, most of our students today were born into a world in which Western concepts were dominant. But they will exercise their responsibilities in a world in which Western concepts must be reconciled and harmonized with those of Asia, the Middle East, and Africa. Perhaps the most significant development of our times is the persistent quest of these newly developing nations for equality, freedom, and progress. It is imperative, therefore, that we learn more about their cultures, their histories, their languages, and their aspirations if we are to carry out the responsibilities we have assumed.

Finally, I believe that Americans must be trained to be at home in the world in which we live. In the mid-20th century this means the entire globe. Someone has called it "training for overseasmanship." This involves not only an understanding of the other person's language and his sense of values. We must also have a deeper understanding and appreciation of our own heritage and its cultural values which we can transmit to other people in a manner which will command their attention and respect. With our vast commitments all around the globe, the development of these qualities and abilities is absolutely essential.

More Emphasis on Foreign Languages

This leads me to make one final comment about our serious neglect of foreign languages. Far too many Americans, both official and unofficial, are doing their business abroad in English. Far too many Americans are taking the easy way out.

A foreign language can be a discouraging barrier to understanding, or it can be a helpful bridge leading to fruitful contacts with the people of other lands. What we need now is a great revival of foreign-language teaching in our schools and colleges. For, unless we move quickly to fill this dangerous gap, the Soviet Union will possess an incalculable advantage in the long period of coldwar diplomacy that stretches ahead of us.

Concluding Comments

In another extremely difficult period in American history, Abraham Lincoln commented as follows:

The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew.

Once again the times call for fresh thought and fresh action. But I have a deep and abiding confidence in the common sense of the American people and their ability to face up to challenges—once they are identified and understood—with courage and decision.

Here, it seems to me, is the greatest lesson the past decade has taught us. We must assume that we have ahead of us a long and tedious period of sacrifice and sustained effort. During this period we must not only understand the serious nature of the threat we face, but we must possess the will to meet it. There is no alternative if the free world is to survive.

Arnold Toynbee has written that societies have often been spurred to self-improvement in the face of external challenges. If the threat our society now faces teaches us to place a higher premium on our intellectual and educational resources, it will have served at least one useful purpose.

Many people have asked me whether there is, in fact, any real basis for agreement with the Soviet Union. Is it possible, in view of their aggressive attitude, to find any common ground so that tensions may be relaxed and the danger of nuclear war reduced?

Despite the frustrations we have encountered in negotiating with the Russians, I am convinced there is some ground for hope. In 1955, for example, after 10 years of painful negotiations, the Soviet Union finally signed the treaty that granted Austria its independence. And in 1957, after long and bitter opposition, the Soviets agreed to the creation of the new International Atomic Energy Agency.

These two examples demonstrate that agreement with the U.S.S.R., in some areas, is not impossible to find. But in our endless search for agreement we must never permit ourselves to become discouraged, either with respect to particular foreign-policy issues or with respect to the general trend of Soviet policy. This would be fatal to our cause.

If we are to prevent Soviet imperialism from dominating the world, the dogged persistence of the Russians must be matched with equal persistence and determination on our part. If we do this, the Soviet Union may eventually come to realize that it is in its national interest to make some accommodation to the free-world position.

We must remember, however, that the challenge we face is not a short-run proposition. Soviet leaders are not handicapped by any timetable. The cold war—with all its trickery, its subversion and sabotage, and even its peripheral wars—may run for 10 or 20 or 30 years or more.

The role of our colleges and universities will become more important as the threat of Soviet imperialism becomes more long-range in nature. Up to the present we have maintained our position in the world with the help of regional alliances, nuclear weapons, and foreign aid. But the emphasis is gradually shifting. Ideas are becoming just as important as nuclear weapons, and university classrooms as important as military installations.

This, in essence, is the challenge which confronts America and the graduating class of 1958. Let us not waver in our determination to preserve our heritage of freedom in a free world of free men and women.

United Nations Day, 1958

A PROCLAMATION 1

Whereas for the purpose of maintaining international peace and promoting the advancement of all peoples the United States of America joined in founding the United Nations: and

WHEREAS in working for a durable world order of freedom and justice, the firm support of the United Nations has always been a fundamental element of our foreign policy; and

WHEREAS the United Nations is keenly aware that the world is on the threshold of a new age of scientific technology which holds great hopes and grave perils for mankind: and

WHEREAS the United Nations provides an unique international forum and constantly seeks to improve its machinery for collective security and the peaceful settlement of disputes; and

WHEREAS the General Assembly of the United Nations has resolved that October twenty-fourth, the anniversary of the coming into force of the United Nations Charter, should be dedicated each year to making known the purposes, principles, and accomplishments of the United Nations:

Now, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby urge the citizens of this Nation to observe Friday, October 24, 1958, as United Nations Day by means of community programs

which will demonstrate their faith in the United Nations and contribute to a better understanding of its aims, problems, and accomplishments.

I also call upon the officials of the Federal and State Governments and upon local officials to encourage citizen groups and agencies of the press, radio, television, and motion pictures, to engage in appropriate observance of United Nations Day throughout the land in cooperation with the United States Committee for the United Nations.

In WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the City of Washington this 13th day of June in the year of our Lord nineteen hundred and [SEAL] fifty-eight, and of the Independence of the United States of America the one hundred and eighty-second.

During Lot Dien hour

By the President:
John Foster Dulles
Secretary of State

President Eisenhower and Dr. Lleras Reaffirm U. S.-Colombia Friendship

White House press release dated June 14

The White House on June 14 made public the following exchange of letters between the President and Alberto Lleras Camargo, President-elect of the Republic of Colombia.

President Eisenhower to Dr. Lleras

May 12, 1958

Dear Dr. Lleras: I am pleased that Vice President Nixon is having the opportunity to visit Colombia and to discuss with you and other Colombian leaders matters of mutual interest to our countries. Undoubtedly such exchanges of views will serve to strengthen further the long and close ties of friendship and cooperation that have linked the United States and Colombia.

The recent expression of popular will in Colombia is gratifying to the world as indicative of the return of Colombia to constitutional processes of government, and your election as President of Colombia is heartening to all of us who cherish democratic political institutions.

¹ No. 3246; 23 Fed. Reg. 4377.

I am happy to take advantage of Vice President Nixon's presence in Bogotá to extend through him my warm greetings to you and my best wishes for the success of your administration.

Sincerely,

DWIGHT D. EISENHOWER

His Excellency

Dr. Alberto Lleras Camargo
President-elect of the Republic of Colombia
Bogotá

Dr. Lleras to President Eisenhower

MAY 17, 1958

DEAR MR PRESIDENT: On his recent, most welcome visit to Colombia, Vice President Nixon gave me Your Excellency's message, which I appreciated very much.

It was particularly gratifying to me to have the opportunity to discuss with Vice President Nixon all the matters of common interest to the United States of America and Colombia. The Vice President has a very clear concept of the possibilities and future developments in the field of cooperation between our two countries and an accurate understanding of the problems concerning the relations between his country and the nations south of the Rio Grande. I was delighted to find that I am in complete agreement with Mr. Nixon concerning the most effective means of increasing and utilizing the bonds of cooperation existing between our countries.

I wish to avail myself of this opportunity to inform Your Excellency that the Colombian people and their Government have a very pleasant memory of the visit of Vice President Nixon, for they not only saw in him a representative of the Government of the United States and Your Excellency's personal representative, but also found that he possessed a great spirit of understanding and an accurate appreciation of the problems of our countries that are now being developed.

As Your Excellency states in his generous message, Colombia's return to the constitutional processes of government will undoubtedly facilitate cooperation between nations that love democratic political institutions, and in particular I hope that the new Government of Colombia, following the tradition of all its previous governments, will maintain with the United States the closest possible relations, founded on the similarity of the political principles upheld by their peoples and embodied in their institutions.

Thanking Your Excellency for your good wishes for the success of my administration, I express to you my own wishes for Your Excellency's personal happiness, together with my admiration and friendship.

Yours very sincerely,

Alberto Lleras

U.S. Issues Alert to Americans Traveling in Lebanon

Press release 329 dated June 16

In view of the situation in regard to personal safety and security of American citizens now obtaining in Lebanon, the State Department is instructing its overseas posts and the Passport Division to alert American tourists and others who may be traveling in or through Lebanon of the situation there and to advise them against such travel unless there are imperative reasons for such travel. At present the Passport Division is not invalidating American passports for travel to or in Lebanon.

Department of State Publishes Study on Sino-Soviet Economic Offensive

Press release 323 dated June 13 (for release June 15)

The present Soviet economic offensive is earefully shaped to exploit both the aspirations and the dissatisfactions of the less developed nations of the world, according to a new study published on June 15 by the Department of State, entitled The Sino-Soviet Economic Offensive in the Less Developed Countries.¹

In a foreword to the document, Deputy Under Secretary Douglas Dillon explained the purpose of the study and summarized its conclusions. "It is of great importance," he said, "that the American people, now well aware of the technical and scientific challenge posed by the Communist world, understand and rise to meet the equally great, and perhaps more subtly dangerous, offensive which the Sino-Soviet bloc has vigorously launched in the less developed areas. This offensive represents an attempt by the Sino-Soviet bloc to employ its growing economic and industrial capacities as a means for bringing the newly developing free nations within the Communist orbit."

Mr. Dillon noted that "the document does not pretend to set forth answers to the problems which confront us, but is limited rather to a description of the scope and nature of the offensive and an

¹ Department of State publication 6632, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.; price 60 cents.

analysis of its motives and objectives. This paper was prepared by the Department of State on the basis of a careful study of material available from a great many different sources."

The paper is a compilation of information available as of February 15, 1958. It brings up to date previous statements made by the Department on the Communist economic drive,² and it contains more detailed information.

Since 1954, according to the study, the Sovietbloc countries have made agreements with 14 of these less developed countries, providing for an estimated \$1.9 billion in intermediate and longterm credits for the purchase of goods and services from the bloc. About \$378 million of this is credits for the purchase of arms extended to Egypt, Syria, Yemen, and Afghanistan.

The remaining \$1.5 billion for economic purposes includes \$464 million in credits to Yugoslavia. More than 95 percent of the credits have gone to six nations—Yugoslavia, India, Afghanistan, Egypt, Syria, and Indonesia. Others aided include Yemen, Burma, Ceylon, and Iceland.

While the report is based on information available as of February 15, 1958, it should be noted in connection with the sections on Yugoslavia, however, that on May 27, 1958, the Soviet Government formally advised Yugoslavia that it was "postponing" for 5 years two investment credits totaling \$285 million. This action by the Soviet Government was threatened in a Pravda editorial of May 9, which called for ideological surrender by the Yugoslavs. As is brought out in the report, this is not the first time the Soviet Union has cut off credits to Yugoslavia because of political differences. Following Yugoslavia's ouster from the Cominform in 1948, Soviet-bloc countries canceled credits to Yugoslavia totaling \$375 million. Again, in 1957, the Soviet Government, because of displeasure with Yugoslavia's interpretation of the cause of the Hungarian revolution, postponed deliveries under certain credits granted a year earlier.

The rapid growth of the Soviet economic offensive is shown particularly by examples from the Middle East. Before 1955, for example, the report shows that Yemen had virtually no economic ties with the Soviet bloc. It has in the last few years received an estimated \$19 million in Soviet-

bloc credits, \$3 million for arms and \$16 million for economic assistance. Before 1955 Yemen had little or no trade with the Soviet bloc. It now has trade agreements with the Soviet Union, East Germany, Czechoslovakia, Poland, and Communist China.

In 1954 the Soviet bloc took one-half of 1 percent of Syrian exports. By 1956 this had jumped to 7.8 percent and in the first half of 1957 to 21 percent. Since 1955 economic ties between Syria and the Soviet bloc have become progressively closer and stronger, and as of December 31, 1957, Syria had received \$294 million in credits, \$194 million for economic purposes, the remainder for arms.

Economic and technical assistance agreements between the Soviet Union and Afghanistan and between Czechoslovakia and Afghanistan began in 1954, and up to now Afghanistan has received credits of about \$161 million. Egypt also has been a target since mid-1955, and the Soviet bloc capitalized both on Egypt's need to market cotton and to buy arms abroad.

One of the most unusual examples is that of Iceland. During the years from 1948 to 1952 the Soviet Union showed little interest in trade with Iceland. A situation arose in which Iceland extended its territorial waters and the United Kingdom instituted bans against landing of Icelandic fish at United Kingdom ports. As a result, Iceland changed from fresh-fish to frozen-fish production. The Soviet Union almost immediately became a major taker of frozen fish. In 1952 the Soviet bloc accounted for 7 percent of Iceland's foreign trade, in 1957 for 34 percent.

The State Department study of the Sino-Soviet bloc economic offensive points out that the gross national product of the Soviet Union has been increasing at an average annual rate of 7 percent and that the U.S.S.R. is now the second largest industrial power in the world. The Eastern European satellites also have substantial annual increases in gross national product, although less than the Soviet Union.

"The U.S.S.R. and other bloc nations possess, therefore, a potent economic base from which to expand their economic drive in the less developed countries," the study says. "In view of the importance attached by the U.S.S.R. to this offensive in terms of its expected political rewards, there is no

² For a summary of the Soviet economic offensive dated Jan. 3, 1958, see Bulletin of Jan. 27, 1958, p. 144.

reason to think that the Soviet Union or other bloc countries have come to the end of the road in pushing their credit and trade deals. The U.S.S.R. can certainly sustain the relatively small annual drain implied in its present commitments for assistance, which will be utilized by the recipient over periods as long as 7 years in some cases. It can even substantially increase these. Though additional commitments must be made by the U.S.S.R. on a selective basis, the U.S.S.R. is capable of incurring these, even in cases where they are economically burdensome, to shoot for greater political gains."

Increase in Nonimmigrant Visas

Press release 308 dated June 5

Almost half a million nonimmigrant visas (496,032) were issued by consular offices to persons desiring to visit the United States for business or pleasure during the first 10 months of the 1958 fiscal year. Increases in nonimmigrant visas issued were shown in all but one of the major areas of the world from July 1 through April 30, 1958, as compared to those issued during the same period in the 1957 fiscal year.

The Western Hemisphere accounted for well over half of the total visitors' visas issued, and Mexico alone with an issuance of 106,952 nonimmigrant visas for the 10-month period accounted for almost half of the total issued in the Western Hemisphere and almost one-fourth of the worldwide total. Canada and Cuba came next. Venezuela with a total of 19,337 (more than 4,000 above the comparable period of 1957) received more visitors' visas than any other country south of Mexico.

Europe is the only area showing a decrease, though slight. The comparison is, for the 10month period, 133,247 in 1958 against 135,221 in 1957. No particular significance, however, is attached to this since the drop is entirely in revalidations of visas already issued. Actually, new

issuances in Europe exceeded by some 4,000 the figure for the 1957 period.

Visitors' visas issued in Iron Curtain countries almost doubled as against the previous year. The figure for Poland more than trebled (1,488 as against 444 for the 1957 period). The figures for other Iron Curtain countries remained almost constant.

The following statistical table gives the actual figures of nonimmigrant visas issued by area during the comparable 10-month periods of 1957 and 1958.

NONIMMIGRANT VISAS ISSUED AND NONIMMIGRANT VISAS

| Rev | ALIDATED | 011121241414 | |
|--|--|---|--|
| | First 10 months of fiscal year 1957 | | |
| | Issued | Revall- dated | Total |
| Western Hemisphere Subquota areas Issued in the Department Europe Subquota areas Iron Curtain countries Near East Subquota areas Far East Subquota areas Africa Subquota areas | Dequota areas | | 265, 670 14, 706 2, 519 134, 823 398 1, 452 15, 606 88 29, 327 1, 435 3, 742 989 |
| Grand Total | 398, 087 | 72, 668 | 470, 755 |
| | First 10 m | onths of fiscal | year 1958 |
| | Issued | Revall- dated | Total |
| Western HemisphereSubquota areasIssued in the DepartmentEuropeSubquota areaNear EastSubquota areasFar EastSubquota areasSubquota areasSubquota areasSubquota areasSubquota areas | 228, 497 13, 008 2, 745 127, 134 180 2, 623 16, 454 85 31, 145 1, 564 4, 749 1, 051 | 56, 153 2, 340 5, 933 3 636 1 1, 278 81 325 47 | 284, 650 15, 348 2, 745 133, 067 180 2, 626 17, 090 86 32, 423 1, 645 5, 074 1, 098 |

GRAND TOTAL ____

496, 032

66, 797

429, 235

Vital Importance of Extension of Trade Agreements Act

Statement by Secretary Dulles 1

Mr. Chairman and members of the committee:

I.

Four months ago I spoke before the House Ways and Means Committee in support of the President's proposal to extend and strengthen the Trade Agreements Act.² I now direct myself to the bill which has come to this committee from the House of Representatives. It represents some alteration of the bill as originally introduced. The changes, however, are acceptable to the Executive, and H. R. 12591 as received in the Senate has my full support.

The Secretary of Commerce will speak to you about the compelling reasons of domestic economic policy for strengthening and extending the Trade Agreements Act. The Secretary of Labor and the Secretary of Agriculture will doubtless present further convincing evidence of the importance of the program from the domestic viewpoint.

I shall direct myself primarily to foreign-policy considerations.

H.

We live in a world which is new in terms of its political structure and its economic demands. Twenty countries have won their political independence within the last 15 years, and this trend is likely to continue. Seven hundred million people are directly involved in this rapid transformation from the long-established system of

colonialism. The very rapidity with which this transformation is occurring presents a major problem—how to achieve and maintain political stability.

Mass aspirations follow these new grants of independence. They are contagious and spread to other lands. The demands for improved living conditions are insistent. No possible sources of assistance are dismissed out-of-hand. Present free-world nations may prefer to buy and sell within the free world. But, if they are frustrated in their efforts to do so, they can be expected to direct their search elsewhere.

Although no international wars are being fought today, our security is menaced not only by the vast Soviet military buildup but by the efforts of international communism to turn the worldwide changes to selfish use as stepping stones to world domination.

If we are to combat this evil successfully, a better international order must be built and the United States must be in the forefront of that effort.

Fortunately for us, the free world is not disunited. It works together and provides dispersed power to retaliate against armed aggression. Military unity is imperative and must be continually strengthened. But this requires high morale throughout the free world and a willing spirit of close cooperation. Such an atmosphere is not created and maintained through military cooperation alone. Economic security is indispensable to all our allies and friends. It is essential that their relationship to the United States

¹ Made before the Senate Committee on Finance on June 20 (press release 335).

² Bulletin of Mar. 17, 1958, p. 432.

contribute not only to their military security but also to their economic well-being.

III.

The strategy of Communist imperialism involves the subversion of country after country until the United States is isolated and subject to economic strangulation. You have heard repeatedly Mr. Khrushchev's threat of "war" in the peaceful field of trade and his boast that the Soviets will win this war because of the superiority of their system. I have said before—and I say again—it would be reckless to treat this threat as negligible.

The Soviet Union is rapidly developing its weapons for waging economic warfare against the United States and has achieved an industrial level which enables it to export manufactured goods in increasing quantity and variety and to take in exchange large amounts of natural products, whether agricultural or mineral, for their own use or to dump on free-world markets. Through pursuing this course they hope to gain dominance, first economically, then politically, in many countries which need an assured foreign market.

Our Government has by treaty or resolution declared, in effect, that the peace and security of the United States would be endangered if any of nearly 50 countries were to be conquered by Communist imperialism. But declaring this is not enough. We have to convince both friend and foe that we will do what is needed to prevent the Communist conquest. So we have the policies and actions represented by our mutual security program and by the Trade Agreements Act.

Some seem to believe that national policies which aim to assure a congenial and friendly world environment are un-American or unpatriotic. The fact is that from our beginning United States doctrine has proclaimed that our own peace and security are bound up inextricably with conditions of freedom elsewhere. Today that doctrine, the doctrine of interdependence, is the cornerstone of free-world policy.

IV.

How has trade figured in these developments? During the depression of the early thirties, many countries tried to restore their economies by tariffs, quotas, and currency manipulations. We

did those things and did them without regard to the effect upon others who were largely dependent on international trade. But the domestic relief we expected did not come. And by 1934 the decline in world trade brought to power, in several countries, leaders so nationalistic and aggressive as to constitute a major cause of World War II. They sought to expand their national domains at the expense of weaker neighbors on the ground that they could not assure their people a living standard by normal methods of peaceful trade. The price we all paid in World War II will, I hope, help us to avoid such shortsighted action in the future.

So far as the free world is concerned, the trend since that war has fortunately been in the other direction. In this movement to liberalize trade the United States has been an indispensable leader. Our Trade Agreements Act, first enacted in 1934 and since extended 10 times, has reflected our desire and purpose to promote the mutually advantageous expansion of world trade.

Some elements of United States industry try to improve their competitive position by implying that any competition from abroad, merely because it is "foreign," should for that reason be barred. This viewpoint, I repeat, cannot be accepted as United States policy without endangering our whole nation. This is not to say there are no cases where foreign competition should be restrained. There is a wide range of such cases, and protection is in fact accorded. It is true, however, that any general disposition to exclude foreign goods simply because they are competitive would gravely disrupt economic, political, and spiritual relationships which are required for our own welfare and for the defense of our peace and freedom.

You may ask what is the proper relationship between the progress of the trade program and the interests of domestic procedures. Let me say this. Almost every national policy hurts some and benefits others. The form of our taxation; the nature of our defense purchases; the location of government operations—all of these and many other national policies inevitably tip the scales of competition. Often, and certainly in the field of trade, the few who may be hurt, or fear that they may be, are more vocal than the many who may gain. That is their right. But the Congress has

a duty; that is to serve the overriding national interest.

 \mathbf{v}

Important as the trade agreements program has been since its inception in 1934 and since World War II, I anticipate a progressively more vital role for the program in the future.

The program is one of our most effective tools for combating the emerging Soviet strategy of political economic penetration into uncommitted countries through the offer of trade and economic aid. Since 1954 economic assistance extended by the Communist bloc to countries outside the bloc has amounted to \$1.5 billion. Since 1954 the exports of the Communist bloc to the free nations have grown 70 percent. In 1957 they amounted to some \$3.1 billion. Furthermore, the number of bloc trade agreements with the free nations has more than tripled in the last 3 years, rising from 49 at the end of 1953 to 149 at the end of 1957. From what we know of the economic potential of the Communist bloc there is reason to believe that this performance can be greatly augmented within the next few years. The state-controlled economy of the Soviets is well suited to swift changes in quantities and destination of exports. The shortage of virtually all consumer goods within the Soviet area means that additional quantities of a wide variety of imported materials can be absorbed with ease.

The danger of the Soviet economic offensive arises from the fact that to the leaders of Communist imperialism economic ties are merely another means of gaining ultimate political control. If through trade and economic assistance they can bring free nations within their economic orbit, they will have paved the way for political victory. Even though responsible leaders in the recipient countries also know this, desperation for markets in order to meet the aspirations of their people can tempt those governments to gamble their political independence rather than refuse Communist aid and trade.

To this challenge our basic answer is our trade agreements program, coupled with our own aid program. The free world as a whole certainly offers by far the largest market for the raw materials that provide most of the money income of the less developed countries. This offer can only

be realized, however, so long as the dominant freeworld trade trend is in the direction of opening markets and expanding trade to the maximum.

VI.

In Western Europe we see unfolding a great new movement toward economic unity. This is the European Economic Community established by the Treaty of Rome, which entered into force on January 1, 1958. Through this treaty six nations on the European continent-Belgium, France, the German Federal Republic, Italy, Luxembourg, and the Netherlands—have agreed to eliminate all barriers to trade among themselves and to act toward others as a single economy. They will form a single Common Market of 170,000,000 customers with a total import trade which, last year, was larger than that of the United States. This new market will in time have a single uniform tariff and a common trade policy, which it will apply to imports from the United States and other countries of the free world.

This development has been encouraged by the United States, both the Congress and the executive branch, since the early days of the Marshall plan. It should now be our policy to cooperate with the new Economic Community of Europe to the end that both the United States and the European Economic Community will contribute to the economic strength and well-being of the free world as a whole.

The next 5 years will be the critical, formative years of the European Economic Community. This is a major reason why it is essential that the trade agreements program be renewed this year for 5 years. During this period long-lasting decisions will be made as to the level of the European common external tariff and as to the other commercial policies which the Community will adopt. The best opportunity we will have to negotiate with the Community the tariff reductions most advantageous to our export trade will be before the new tariff becomes firmly established. We would seek to negotiate tariffs lower than those to which the countries comprising the European Economic Community are presently committed.

The procedure and timetable which its members contemplate for the establishment of the Common Market illustrate the need for extending our program for not less than 5 years.

The first step in reducing internal tariffs, within the Common Market, will be taken next January 1, when internal duties are to be reduced by 10 percent from their present levels. Thereafter there will be progressive reductions until internal tariffs are completely eliminated by the end of 1972. These reductions are important to us because after the first of next year goods produced within the Common Market will have a steadily increasing advantage within the Common Market area over American and other free-world goods.

With respect to external tariffs the plan is this: The European Economic Community has informed us that they expect to have their proposed, or "target," tariff (which they are now negotiating among themselves) available for examination by us and others about the end of 1959.

The objective of this examination will be to ascertain whether the target tariff accords with the obligations which the Common Market countries have previously assumed under the General Agreement on Tariffs and Trade. In this context we shall want to be satisfied that the target external tariff is not on the whole higher nor more restrictive than the separate tariff schedules of the six countries now in effect.

We shall also look at the individual items to be certain that the commitments which others have made to us are maintained.

After we have completed this examination, we will have to prepare the United States position for negotiations and choose the items on which we might be willing to consider tariff concessions. This will include peril-point investigations by the Tariff Commission. This whole process will take at least 18 months from the date on which we receive the target tariff. This timetable makes clear that under the best of circumstances negotiations with the European Economic Community eannot begin until 3 years from now. The negotiations themselves would take at least a year, bringing us at least to mid-1962. It is only prudent to allow another year for slippages. Finally, other countries will not be willing to make the complex preparations for these negotiations unless they are sure that the United States Government has authority to see them through to completion. For all these reasons the full 5-year extension is a necessity.

Another point I wish to make is this. Our trade agreements program has been accepted in this

country now for 24 years. I think it is clear that the program has been successful and has benefited this country greatly. I believe that most people in this country look upon the program as continuing and permanent. It would, to my mind, be unthinkable to discontinue it.

On each of the 10 times that the Trade Agreements Act has come before the United States Congress for renewal there has been a period of uneasiness and concern among our friends throughout the free world. Because the United States is the ranking supplier or consumer of so many commodities, its trade policy is a matter of vital interest to the overall economy of many countries. The question of whether the United States is going to continue to buy a given country's products so as to enable that country to accumulate dollar exchange with which to buy needed supplies for the well-being of its own people is often nearly a life and death proposition.

For one reason or another people abroad have acquired the impression that trade restrictionist sentiment is growing in the United States. Whether this impression is correct or not—and the recent passage of this renewal bill in the House would certainly indicate the contrary—the belief injects an element of instability and danger into the future which is not conducive to cooperation or to our national security.

Why then should we insist upon the reargumentation of its merits every 3 years or oftener and lead our friends abroad to fear we may suddenly reverse our trade policy? The Trade Agreements Act has become a symbol around which other freeworld countries develop their trade policies and make their plans. Greater stability in our program will certainly mean greater stability in their programs. Can there be any doubt that such stability would benefit us all?

This stabilizing of our basic policy would not of course mean freezing our procedures; if during the 5-year period experience shows the need for improvements in the legislation, these can of course be accomplished.

VII.

A few days ago (June 6, 1958) I made a statement to the Foreign Relations Committee dealing with the basic aspects of our foreign policy.³ In

³ Ibid., June 23, 1958, p. 1035.

the course of that presentation I made a statement about world trade which I should like to repeat here today:

. . . the world of today requires better economic health than was tolerable in past times.

International trade is more than ever important. Our own foreign trade is now approximately \$32.4 billion a year and provides employment to 4½ million of our farmers and workers. International trade is even more vital to the economic life of many other free-world countries.

A principal instrumentality and the outstanding symbol of our attitude to international trade is our Trade Agreements Act. The principle of the act was first adopted in 1934, and 10 times the Congress acted to renew it. Any failure now to renew it would be a grave blow to the world's economy, including our own, and it could be fatal to security.

Mr. Chairman, that is a blunt statement. But to put it less bluntly would in my opinion fail to portray the immense importance to the United States of the legislation now before us.

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Amendment to the Atomic Energy Act of 1954, as amended. Report to accompany S. 3912. S. Rept. 1654, June 5, 1958. 43 pp.

Amendment to the Atomic Energy Act of 1954, as amended. Report to accompany H. R. 12716. H. Rept. 1849, June

5, 1958. 44 pp.

Implementing Item 1 of a Memorandum of Understandings Attached to the Treaty of January 25, 1955, Entered Into by the Government of the United States of America and the Government of the Republic of Panama With Respect to Wage and Employment Practices of the Government of the United States of America in the Canal Zone. Report to accompany S. 1850. H. Rept. 1869, June 10, 1958. 24 pp.

National Aeronautics and Space Act of 1958. Report to accompany S. 3609. S. Rept. 1701, June 11, 1958. 26 pp. International Agreement Between the Government of the United States and the European Atomic Energy Com-

munity. H. Doc. 411, June 23, 1958. 6 pp.

Providing Transportation on Canadian Vessels to and Within Alaska. Report to accompany S. 3100. H. Rept. 1981, June 24, 1958. 4 pp.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of International Conferences and Meetings¹

Adjourned During June 1958

| ICAO Assembly: 11th (Limited) Session | Montreal | May 20-June 2 |
|--|-------------|----------------|
| U.N. Conference on International Commercial Arbitration | New York | May 20-June 10 |
| Caribbean Commission: 26th Meeting | Trinidad | May 28-June 2 |
| UNESCO Special Intergovernmental Committee on the Preparation of a | Brussels | May 28-June 7 |
| New Convention for the International Exchange of Publications. | | • |
| ITU International Radio Consultative Committee (CCIR): Study | Moscow | May 28-June 10 |
| Group XI (Television). | | 2 |
| 11th World Health Assembly | Minneapolis | May 28-June 13 |
| UNKEF Executive Committee: 8th Session | Geneva | |
| International Cotton Advisory Committee: 17th Plenary Meeting | London | |
| IMCO Preparatory Committee | New York | June 3-4 |
| GAII Intersessional Committee | Geneva | June 3-6 |
| FAU Group on Grains: 3d Session | Rome | June 3-13 |
| 17th International Conference on Large Electric Systems | Paris | |
| International Labor Conference: 42d Session | Geneva | |
| 12th International Ornithological Congress | Helsinki | |
| oth U.N. ECE Conference of European Statisticians | Geneva | |
| 2d International Congress on Social Legislation | Brussels | June 8-15 |
| - | | |

¹ Prepared in the Office of International Conferences, June 20, 1958. Asterisks indicate tentative dates. Following is a list of abbreviations: CCIR, Comité consultatif international des radiocommunications; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; PAIGH, Pan American Institute of Geography and History; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; UNREF, United Nations Refugee Fund; WHO, World Health Organization; WMO, World Meteorological Organization.

Calendar of International Conferences and Meetings—Continued

Adjourned During June 1958—Continued

| U.N. ECE Steel Committee and Working Parties | Geneva | June 9–13 June 9–14 |
|--|---|--|
| ing. International Rubber Study Group: 14th Meeting | Hamburg | June 9-16 June 9-20 |
| sion. FAO Technical Advisory Committee on Desert Locust Control: 8th Ses- | Rome | June 10-13 |
| sion. WMO Working Group on Numerical Weather Forecasting and Analysis. U.N. Good Offices Committee on South-West Africa WHO Executive Board: 22d Session U.N. ECE Housing Committee: 16th Session and Working Parties FAO Desert Locust Control Committee: 5th Session IAEA Board of Governors FAO Committee on Commodity Problems: 30th Session International Tonnage Measurement Experts: 6th Meeting 6th Inter-American Seminar on Overall Planning for Education 5th International Electronic Nuclear Energy Exhibition and Conference Permanent International Association of Navigation Congresses: Annual Meeting. | Stockholm Pretoria Minneapolis Geneva Rome Vienna Rome Hamburg Washington Rome Brussels | June 10-14 June 12-21 June 16-17 June 16-20 June 16-21 June 16-27 June 16-27 June 16-28 June 16-28 June 16-30 June 23-27 |
| Baghdad Paet Economic Experts | Ankara | June 23–27 June 23–28 June 23–28 |
| on Travel Plant. U.N. ECE Coal Trade Subcommittee: 38th Session | Geneva | June 23 (1 day) June 23-28 June 24-27 June 25-30* |
| In Session as of June 30, 1958 | | |
| Brussels Universal and International Exhibition of 1958 U.N. Trusteeship Council: 22d Session | Brussels | Apr. 17- June 9- June 23- |
| Statistics. U.N. ECOSOC Technical Assistance Committee Sth Berlin Film Festival | Geneva | June 24- June 27- June 30- |
| Scheduled July 1 Through September 30, 1953 | | |
| FAO International Poplar Commission: Executive Committee Technical Discussions on Detection of Nuclear Tests U.N. Economic and Social Council: 26th Session ICAO Airworthiness Committee: 2d Meeting Joint UNESCO/IBE International Conference on Public Education: 21st Session. | Rome | July 1- July 1- July 1- July 3- July 7- |
| Inter-American Technical Committee on Cacao: 7th Meeting | Palmira, Colombia | July 13- |
| International Union of Architects: 5th Congress | Moscow Trinidad | July 20- July 24- |
| International Union of Architects: 5th Congress Ad Hoc Committee for Revision of the Agreement for the Establishment of the Caribbean Commission. Interparliamentary Union: 47th Conference | | July 20- |
| International Union of Architects: 5th Congress | Trinidad | July 20- July 24- July 24- |
| International Union of Architects: 5th Congress | Trinidad | July 20- July 24- July 24- July 28- |
| International Union of Architects: 5th Congress | Trinidad | July 20- July 24- July 24- July 28- July 28- July 28- |
| International Union of Architects: 5th Congress | Trinidad | July 20- July 24- July 28- July 28- July 28- July 28- Aug. 4- |
| International Union of Architects: 5th Congress | Trinidad | July 20- July 24- July 28- July 28- July 28- Aug. 4- Aug. 12- Aug. 13- |

July 7, 1958

Calendar of International Conferences and Meetings-Continued

Scheduled July 1 Through September 30, 1958-Continued

| 12th Annual Edinburgh Film Festival | Edinburgh Venice Sanitation Seneva Seneva Vienna Seneva Se | Aug. 24- Aug. 24- Aug. 25- Aug. 29- Sept. 1- Sept. I- |
|---|--|---|
| UNICEF Executive Board and Program Committee U.N. ECAFE Working Party on Economic Development and Planning: 4th Session. | New York | Sept. 2- Sept. 2- |
| International Statistical Institute: Special Meeting | Brussels | Sept. 3- Sept. 5- Sept. 7- Sept. 8- Sept. 8- Sept. 9- |
| craft. 6th International Congress on Large Dams | New York | Sept. 15- Sept. 15- Sept. 21- |
| 11th World Poultry Congress International Atomic Energy Agency: 2d General Conference U.N. Sugar Conference U.N. ECAFE Working Party on Coordination of Transport FAO International Chestnut Commission: 4th Session South Pacific Commission: 18th Session ITU International Administrative Telephone and Telegraph Confer- | México, D. F | Sept. 21- Sept. 22- Sept. 22* Sept. 23- Sept. 25- Sept. 26- Sept. 29- |
| ence. Irternational Council for the Exploration of the Sea: 46th Annual | Copenhagen | Sept. 29- |
| Meeting. WMO Commission on Agricultural Meteorology: 2d Session U.N. ECF Coal Committee and Working Parties ICAO Teletypewriter Technical Panel WHO Regional Committee for Western Pacific: 9th Session Inter-American Indian Institute: Executive Committee WMO Regional Association II (Asia): 2d Session 5th International Congress of Rural Engineering | Warsaw Geneva. Montreal Manila México, D. F Karachi Brussels | Sept. 29– Sept. 29– September September September September September |

TREATY INFORMATION

United States and Japan Expand Atomic Energy Agreement

The U.S. Atomic Energy Commission and the Department of State announced on June 16 (press release 325) that the Governments of Japan and the United States had on that day signed an expanded agreement for cooperation in the civil uses of atomic energy which will provide a basis for future United States cooperation with Japan for the development of a nuclear power program.

Under the agreement the United States will make available as needed over a term of 10 years a net amount of 2,700 kilograms of uranium 235

to be contained in fuel sold or leased to Japan for use in research, experimental power, and power reactors.

The agreement was signed for the United States by Assistant Secretary of State for Far Eastern Affairs Walter S. Robertson and Chairman of the Atomic Energy Commission Lewis L. Strauss, and for Japan by Ambassador Koichiro Asakai.

A Japanese private company is planning the construction of a full-scale nuclear power plant with about a 150,000 electrical kilowatt generating capacity. This is in addition to an experimental power reactor with a thermal output of 50,000 kilowatts (approximately 15,000–20,000 electrical

kilowatts) and a number of research and experimental reactors to be built during the period of the agreement.

The accord will enlarge the areas of cooperation between the United States and Japan in the peaceful applications of nuclear energy. It will permit, for example, the transfer of gram quantities of special materials for laboratory use and, in the event that Japan decides to build a materials-testing reactor, the transfer of 6 kilograms of reactor fuel at 90 percent enrichment in U-235.

The new agreement will come into effect when the statutory and constitutional requirements of the two nations have been fulfilled. It will supersede the United States-Japan research agreement which has been in effect since December 1955.

Under the research agreement Japan has constructed a 50-kilowatt water-boiler research reactor located at Tokai-mura, 70 miles from Tokyo. This reactor went into operation August 27, 1957. A larger 10,000-kilowatt, CP-5 type research reactor is currently under construction at the same location. It is expected to go into operation in late 1958 or early 1959. The U.S. Atomic Energy Commission has approved a grant of \$350,000 toward the cost of this nuclear research reactor facility.

Current Actions

MULTILATERAL

Germany

Charter of the arbitral commission on property rights and interests in Germany (annex to convention on the settlement of matters arising out of the war and the occupation signed at Bonn May 26, 1952, as amended by the protocol on the termination of the occupation regime signed at Paris October 23, 1954). Entered into force May 5, 1955. TIAS 3425.

Accession deposited: Luxembourg, May 13, 1958.

BILATERAL

eylon

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1952, as amended (68 Stat. 455; 7 U.S.C. 1701–1709). Signed at Washington June 18, 1958. Entered into force June 18, 1958.

El Salvador

Agreement relating to reciprocal customs privileges for Foreign Service personnel. Effected by exchange of notes at Washington March 18 and May 9, 1958. Entered into force May 9, 1958.

European Atomic Energy Community

Agreement relating to programs for advancement of the peaceful applications of atomic energy. Signed at Brussels May 29 and at Washington June 18, 1958. Enters into force on date on which each party receives from the other written notification that it has complied with statutory and constitutional requirements.

Japan

Research and power reactor agreement concerning civil uses of atomic energy, and superseding the research reactor agreement of November 14, 1955 (TIAS 3465). Signed at Washington June 16, 1958. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

Morocco

Agreement supplementing the economic, technical, and related assistance agreement of April 2, 1957 (TIAS 3799). Effected by exchange of notes at Rabat May 19, 1958. Entered into force May 19, 1958.

DEPARTMENT AND FOREIGN SERVICE

Appointments

Larkin II. Farinholt as Deputy Science Adviser, effective June 16. (For biographic details, see Department of State press release 333 dated June 17.)

PUBLICATIONS

Foreign Relations Volume

Press release 327 dated June 16

The Department of State on June 28 released Foreign Relations of the United States, 1941, Volume I, General, The Soviet Union. This is one of seven volumes in the Foreign Relations series for 1941. One volume for the year 1941, Volume IV. The Far East, has previously been published.

¹Treaties and Other International Acts Series 3465.

Volume I deals primarily with the war in Europe, as it affected the interests of the United States, and with problems arising in the relations of the United States with the Soviet Union.

Copies of Foreign Relations, 1941, Volume I (viii, 1,048 pp.) may be obtained from the U.S. Government Printing Office, Washington 25, D. C., for \$4.50 each.

Recent Releases

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Surplus Agricultural Commodities. TIAS 4015. 17 pp. 10¢.

Agreement, with memorandum of understanding, between the United States of America and Colombia—Signed at Bogotá March 14, 1958. Entered into force March 14, 1958. With related exchange of notes.

Surplus Agricultural Commodities. TIAS 4017. 2 pp. 5¢.

Agreement between the United States of America and Greece, amending agreement of December 18, 1957. Exchange of notes—Dated at Athens March 20 and April 3, 1958. Entered into force April 3, 1958.

Surplus Agricultural Commodities. TIAS 4018. 4 pp. 5¢.

Agreement between the United States of America and Spain, supplementing agreement of January 27, 1958—Signed at Madrid April 10, 1958. Entered into force April 10, 1958.

Mutual Security—Military and Economic Assistance. TIAS 4019. 3 pp. 5¢

Agreement between the United States of America and the Republic of the Phitippines, supplementing and amending agreement of April 27, 1955, as supplemented and amended. Exchange of notes—Signed at Mauila April, 14, 1958. Entered into force April 14, 1958.

Military Bases in the Philippines—Camp Cavite Area. TIAS 4020. 6 pp. 5¢.

Agreement between the United States of America and the Republic of the Philippines, retating to agreement of March 14, 1947. Exchanges of notes—Signed at Manila April 7 and 22 and July 7 and 22, 1953. Entered into force July 22, 1953.

Check List of Department of State Press Releases: June 16-22

Press releases may be obtained from the News Division, Department of State, Washington 25, D.C. Releases issued prior to June 16 which appear in this issue of the Bulletin are Nos. 308 of June 5, 321 of June 12, and 323 of June 13.

| No. | Date | Subject |
|------|------|---|
| 325 | 6/16 | Atomic energy agreement with Japan. |
| 326 | 6/16 | Guatemala credentials (rewrite). |
| 327 | 6/16 | Foreign Relations volume. |
| *328 | 6/16 | Educational exchange. |
| 329 | 6/16 | American tourists in Lebanon alerted. |
| 330 | 6/16 | Western proposals on summit talks released. |
| †331 | 6/16 | Statement on Khrushchev letter of |

| 332 | 6/17 | Dutles: news conference. |
|------|------|--|
| *333 | 6/17 | Farinhott appointed deputy science ad- |
| | | viser (biographic detaits). |
| 694 | 0/17 | Statement on execution of Hungarian |

334 6/17 Statement on execution of Hungarian patriots.

335 6/20 Dulles: Trade Agreements Act. 336 6/20 U.S. aide memoire to U.S.S.R. *337 6/20 Educational exchange.

†338 6/21 Itinerary for visit of Afghan prime minister.

339 6/22 Dultes: "The Mutual Security Program: An Expression of Our Faith."

*Not printed. †Held for a later issue of the BULLETIN.

| American Principles. The Mutual Security Program: An Expression of Our Faith (Dutles) | 3 | Mutual Security. The Mutual Security Program: An Expression of Our Faith (Dulles) | 3 |
|---|---------------|--|-----------------------------|
| Atomic Energy United States and Japan Expand Atomic Energy Agreement Western and U.S.S.R. Experts Named for Technical Talks (texts of U.S. and Soviet aide memoire) | 40 11 | Presidential Documents President Eisenhower and Dr. Lleras Reaffirm U.SColombia Friendship President Eisenhower Exchanges Notes With Visiting President of Germany United Nations Day, 1958 | 30 22 30 |
| Canada. Western and U.S.S.R. Experts Named for Technical Talks (texts of U.S. and Soviet aide memoire) | 11 | Protection of Nationals and Property. U.S. Issues Alert to Americans Traveling in Lebanon | 31 |
| Colombia. President Eisenhower and Dr. Lleras Reaflirm U.SColombia Friendship | 30 | Publications Department of State Publishes Study on Sino- Soviet Economic Offensive | 31 |
| Congress, The Congressional Documents Relating to Foreign Policy | . 38 | Foreign Relations Volume | 41 42 |
| Vital Importance of Extension of Trade Agreements Act (Dulles) | 34 | Deputy Science Adviser | 41 |
| Department and Foreign Service Appointments (Farinholt) | 41 33 | Current Actions United States and Japan Expand Atomic Energy Agreement | 41 40 |
| Disarmament. Secretary Dulles' News Conference of June 17 | 6 | U.S.S.R. Department of State Publishes Study on Sino- | 10 |
| Economic Affairs Department of State Publishes Study on Sino-Soviet Economic Offensive | 31 34 | Soviet Economic Offensive Department Statement on Execution of Hungarian Patriots Foreign Relations Volume Secretary Dulles' News Conference of June 17 | 31 7 41 6 |
| Act (Dulles) | 12 11 | The Soviet Challenge and American Education (Wilcox) United States Releases Documents on Western Proposals for Summit Talks After U.S.S.R. Announces Intention To Issue All Unpublished Documents Western and U.S.S.R. Experts Named for Technical Talks (texts of U.S. and Soviet aide memoire) | 24 12 11 |
| Germany. President Eisenhower Exchanges Notes With Visiting President of Germany | 22 | United Kingdom Prime Minister Macmillan Visits United States | 23 |
| Guatemala. Letters of Credence (Antillón) Health, Education, and Welfare. The Soviet Challenge and American Education (Wilcox) | 10 24 | United States Releases Documents on Western Proposals for Summit Talks After U.S.S.R. An- nounces Intention To Issue All Unpublished | د.ت |
| Hungary Department Statement on Execution of Hungarian | 23 | Documents | 12 11 |
| Patriots | $\frac{7}{6}$ | United Nations. United Nations Day, 1958 (proelamation) | 30 |
| Immigration and Naturalization. Increase in Non- immigrant Visas | 33 | Name Index | |
| International Organizations and Conferences. Calendar of International Conferences and Meetings | 38 | Antillón Hernández, Carlos S | 10 6. 34 |
| Japan. United States and Japan Expand Atomic Energy Agreement | 40 | Eisenhower, President | 2, 30 41 |
| Lebanon Secretary Dulles' News Conference of June 17 U.S. Issues Alert to Americans Traveling in Lebanon | 6 31 | Heuss, Theodor Lleras Camargo, Alberto Macmillan, Harold Wileox, Francis O | 22 31 23 24 |





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This is the last of a series of five volumes of diplomatic documents to be published for the year 1939. Documentation included in the volume relates to official actions taken or proposed by the various American states in their concern over the outbreak of war in Europe and to relations of the United States with individual American Republics. The volume is priced at \$4 per copy.

1940, Volume III, The British Commonwealth The Soviet Union, The Near East and Africa

This is the third volume to be published in a series of five volumes covering the year 1940. Previous volumes published in this series are Volume II, General, Europe and Volume IV, The Far East. Volume III is available at \$4.50 per copy.

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| Vol. XXXIX, No. 994 July | |
|---|-----------------------------------|
| PROBLEMS FACING THE UNITED STATE WESTERN WORLD • Transcript of Canad ing Corporation Television Interview Between S and Edgar McInnis | ian Broadcast- ecretary Dulles |
| FREEDOM OF IDEAS VS. CENSORSHIP of Secretary Berding | - |
| GENEVA TECHNICAL CONFERENCE | 47 |
| HIGHLIGHTS OF THE MUTUAL SECURITY JULY 1-DECEMBER 31, 1957 • Excention of the Execution of the Congress | rpts From the |
| PRESIDENT ASKS FOR CONGRESSIONAL OF AGREEMENT WITH EUROPEAN ENERGY COMMUNITY Department Announcement | N ATOMIC 70 |
| Memorandum of Understanding | |

For index see inside back cover

THE DEPARTMENT OF STATE



Vol. XXXIX, No. 994 • Publication 6672

July 14, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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Geneva Technical Conference

Following is the text of a letter of June 26 from the American Ambassador at Moscow, Llewellyn E. Thompson, to Soviet Foreign Minister Andrei A. Gromyko on the subject of the meeting of experts at Geneva on July 1, together with a Soviet aide memoire of June 25, a telegram sent by President Eisenhower on June 26 to the three U.S. representatives as they departed for Geneva, and a list of the U.S. participants.

U.S. LETTER OF JUNE 261

Press release 356 dated June 26

EXCELLENCY: With respect to the Aide-Memoire which you handed me yesterday concerning the meeting of experts in Geneva, I have been authorized to inform you that the United States considers the aims of the Conference of Experts remain as determined in the exchange of correspondence between the Soviet Government and the United States Government and as confirmed by the Soviet agreement of June 24 and that so far as we are concerned the conference will proceed as agreed. Experts from the United States are already en route.

SOVIET AIDE MEMOIRE OF JUNE 25

Official translation

On June 17, speaking at a press conference in Washington,² the Secretary of State of the United States of America, Mr. Dulles, made a statement concerning the role of the planned conference of experts of the USSR,

USA, and other states for studying means of detecting nuclear explosions. As evident from the published account of the mentioned press conference, Mr. Dulles, answering the question would agreement of the experts about methods of inspection lead to the corresponding sides taking upon themselves the obligation of terminating tests of nuclear weapons, declared that the work of the experts must be carried out "without deciding the question beforehand whether or not the tests will be temporarily terminated."

It is impossible to agree with such a position of the Secretary of State of the United States of America. The conference will bring benefit only in that case if it leads to positive results. But how can these positive results be determined, if not with the fact that during the course of the work of the experts will be insured achievement of the final goal—universal immediate termination of experimental explosions of atomic and hydrogen bombs? Otherwise what sense is there in general in convoking such a conference and what sense is there in sending to it experts?

If the results of the work of the experts do not lead to the achievement of this final objective, then all of their work will be transformed into a fruitless waste of time. More than that, there is a basis for fearing that in such a case the conference of experts would be converted into a means for deceiving the peoples in whom would be instilled the false illusion that supposedly something is being undertaken with the purpose of bringing closer the termination of tests of nuclear weapons while at the same time in reality the matter would not be moving from its spot.

In connection with the statement of the Secretary of State of the United States of America a legitimate question arises—for what purpose was the proposal made about the conference of experts in the light of the mentioned statement of the Secretary of State, the conclusion suggests itself that this proposal was made in the expectation that the Soviet Government would reject it. But inasmuch as this did not occur, attempts are being undertaken to doom beforehand this conference to failure.

It is necessary to state directly that this tactic is not new but is known on the basis of past experience, especially in connection with negotiations on questions of dis-

¹Delivered by Ambassador Thompson on instructions from President Eisenhower in reply to the Soviet aide memoire of June 25.

² Bulletin of July 7, 1958, p. 6.

armament. Not once after proposals of the other side were accepted by the Soviet Union, then everything possible was done not to permit agreement under the pretext that supposedly the reason for the absence of agreement is the intractability of the USSR.

The Government of the United States of America can hardly deny the fact that when it made the proposal about the meeting of the experts, then not only in the Soviet Union but in all other countries this proposal was understood in such a manner that it must insure the resolution of the mentioned principal problem—the termination of tests of nuclear weapons. Because of this the Soviet Government went to meet the desire of the Government of the United States of America and agreed with the proposal of President Eisenhower about the conference of experts. The Soviet Government had doubts in this respect, however it cast aside these doubts, being guided by the single desire-to utilize all possibilities for satisfying the hopes of the peoples demanding the immediate and universal termination of tests of the mentioned weapons. The will of the peoples is the principal thing by which, in the opinion of the Soviet Government, each government must be gulded if it in fact aspires to assist the release of international tension, the termination of the armaments race, and the ending of the "cold war".

Namely the necessity to terminate nuclear tests was placed at the basis of the agreement for the conference of experts and this agreement was fixed in the corresponding documents which were exchanged between the Government of the Soviet Union and the Government of the United States of America. From the beginning the discussion was not in general about a meeting of experts but about a meeting with the Indicated concrete goal.

In the same declaration of the Secretary of State of the United States of America there was set forth another position which in essence annuls the position set forth in the messages of President Eisenhower-about the necessity to agree concerning control for the cessation of the tests of atomic and hydrogen bombs. It is impossible not to come to the conclusion that the essence of the position set forth by Mr. Dulles consists In making a meeting of the experts purposeless and thereby to discredit it. If the Government of the United States in reality takes such a position, if it does not wish that the results of the meeting of the experts should assure the cessation of the tests of nuclear weapons by all powers who dispose of them, then it is useless to send experts to this conference. In such a situation the Soviet Union cannot send its experts because it does not wish to be an accomplice in the deception of the peoples.

The Soviet Government would like to receive from the Government of the United States of America confirmation that the meeting of the experts must be subordinated to the resolution of the problem of the universal and immediate cossation of tests of nuclear weapons and that, in consequence, the goal of this conference remains such as it was formulated in the exchange of communications between the Soviet Government and the Government of the United States of America.

TEXT OF PRESIDENT'S MESSAGE

White House press release dated June 26

Dr. James Brown Fisk
Idlewild Airport
New York, New York

I send to you, Dr. Bacher, and Dr. Lawrence my best wishes as you depart for a Geneva conference designed to contribute to disarmament and peace. In view of the most recent expression of Soviet attitude you leave under uncertain conditions. But I and all the American people continue to hope that the door to understanding is still open. You are called on to play a significant part in a far-reaching project of deep concern to all mankind. We must, and shall, keep working at it. I want you and your associates to know that controlled disarmament is so vital that we are going to persevere in the face of whatever difficulties the Soviets may raise. Good luck.

DWIGHT D. EISENHOWER

LIST OF U.S. PARTICIPANTS

Press release 353 dated June 25

Representatives to serve as experts from the United States at the technical conference on means of detecting nuclear test explosions scheduled to be held at Geneva beginning July 1, will be:

James Brown Fisk, executive vice president of Bell Telephone Laboratories and member of the President's Science Advisory Committee

Robert F. Bacher, professor of physics, director of the Bridge Laboratory, and chairman of the Division of Physics, Mathematics, and Astronomy at California Institute of Technology

Ernest O. Lawrence, director, University of California Radiation Laboratory, and a member of the President's Science Advisory Committee

In addition the three representatives from the United States will be accompanied by the following:

Hans A. Bethe, professor, Cornell University, and member of the President's Science Advisory Committee

Harold Brown, associate director, Livermore Laboratory, Livermore, Calif.

Perry Byerly, director, Seismographic Stations, University of California

Norman Haskell, Geophysic Research Directorate, Air Force, Cambridge Research Center

Spurgeon M. Keeny, Jr., Office of the Special Assistant to the President for Science and Technology

J. Carson Mark, director, Theoretical Division, Los Alamos Scientific Laboratory

Capt. John H. Morse, Jr., USN, special assistant to the Chairman, Atomic Energy Commission

Doyle L. Northrup, technical director, Office of Atomic Energy, Department of Defense

George B. Olmstead, assistant technical director, Office of Atomic Energy, Department of Defense

Carl F. Romney, assistant technical director, Office of Atomic Energy, Department of Defense

Herbert Scoville, Jr., consultant, President's Science Advisory Committee

Anthony L. Turkevich, Enrico Fermi Institute for Nuclear Studies, University of Chicago

Thomas B. Larson, Department of State Donald Morris, Department of State

Ronald I. Spiers, Department of State

U.S. Gives Soviets Facts on New York Demonstrations

Following is the text of a U.S. aide memoire delivered by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs on June 25, together with an exchange of notes between the U.S. Mission to the United Nations and the delegation of the U.S.S.R. to the United Nations on the subject of demonstrations staged at New York before the headquarters of the U.S.S.R. delegation.

U.S. AIDE MEMOIRE

Press release 350 dated June 25

The Embassy of the United States of America desires to draw to the attention of the Ministry of Foreign Affairs a Tass report dated June 24 from New York entitled "Hostile Demonstrations Against the USSR Mission at the United Nations" which was published on June 25 in Izvestia, the official governmental organ of the USSR. In this article by Tass, the official news agency of the USSR, it is stated "It was known to the American authorities that the outrages were being prepared but they did not take any measure for their prevention. Moreover, the police present at the building of the Mission in reality encouraged the pro-

vocatory acts of the participants in the demonstration".

The Embassy wishes to point out to the Ministry that this report by Tass does not correspond to the facts. According to a report of the New York City police, there were present at the time of the demonstration on Sunday, June 21 [June 22], before the building of the Soviet United Nations Mission one Assistant Chief Inspector, one Deputy Chief Inspector, two Captains, 8 Sergeants, 80 foot patrolmen, one mounted Sergeant and 10 mounted patrolmen. At one point during the demonstration, the demonstrators succeeded in breaking through the police lines, despite the considerable efforts of the police to prevent this. During this fracas the Deputy Chief Inspector suffered a lacerated jaw, one mounted patrolman suffered head wounds requiring 7 stitches and two other patrolmen were injured. During this time an additional two superintendents from the detective division, 10 detectives and 20 additional patrolmen arrived to help preserve order. The police arrested 9 people.

The Embassy notes that following Soviet publication of reports of demonstrations before the Soviet embassies in Copenhagen and Bonn, demonstrations took place in Moscow before the Danish Embassy on June 20 and before the Embassy of the Federal Republic of Germany on June 23 which resulted in extensive damage to both buildings. In view of these facts the Embassy requests that adequate steps be taken to prevent any similar developments with respect to this Embassy.

U.S. MISSION'S NOTE

The United States Mission to the United Nations presents its compliments to the Delegation of the Union of Soviet Socialist Republics to the United Nations and has the honor to refer to the Delegation's note No. 380 received June 23, 1958, regarding the picketing of the Delegation's building on June 19, 21, and 22, 1958.

The Government of the United States categorically denies the charge that American

July 14, 1958 49

¹ Delivered on June 26 to the delegation of the U.S.S.R. to the United Nations at New York, N.Y. (U.S./U.N. press release 2948 dated June 26).

authorities encouraged the demonstrations and that the damage resulting from the demonstrations occurred with the sufference of these authorities.

On June 22 there were over 130 New York City policemen at the building housing the USSR Delegation to the United Nations. The charge that the New York police authorities did not provide protection for Delegation property but actually encouraged the pickets is not borne out by the facts. In controlling the demonstrators and in protecting Delegation property, seven New York City police officers were injured, including a Deputy Chief Inspector. In addition, a number of picketers were injured when they attempted to break through police lines.

As a result of the demonstrations which occurred on June 21 and 22, twelve of the demonstrators were arrested and formally charged before the appropriate New York City Court.

The USSR Delegation's note concludes by insisting that the United States Mission and American authorities take measures to "prevent the holding in the future of any kind of hostile demonstration at the USSR Delegation's building." While the Government of the United States regrets that what began as peaceful demonstrations resulted in property damage, it cannot associate itself with any attempts to abrogate the constitutional right of residents of the United States to gather in peaceful assembly and to express their beliefs and convictions.

SOVIET DELEGATION'S NOTE²

Official translation No. 380

June 26, 1958 [slc]

The Delegation of the Union of Soviet Socialist Republics to the United Nations presents its compliments to the United States Mission to the UN and has the honor to communicate the following.

On June 19, 21, and 22, 1958 groups of hooligans and provocateurs organized demonstrations hostile to the Soviet Union in front of the building of the USSR Delegation to the UN. In the course of the demonstrations the participants indulged in hostile and insulting outcries with respect to the Soviet Union and the USSR Delegation and they insulted members of the Delegation in profane language. Moreover, without meeting with any counter-

action on the part of American authorities, on June 21 and 22 the demonstrators broke several panes in the windows of the Delegation building, causing thereby material damage. The hooligans threw stones and bricks into the building, thereby endangering the members of the Delegation who were in the building.

The USSR Delegation notes that the police, considerable forces of which arrived at the scene of the demonstration, failed to take sufficient measures to protect the Delegation from hostile actions and from the infliction of damage.

The USSR Delegation likewise takes note of the fact that the appropriate authorities of the USA not only failed to take measures to prevent or stop the demonstrations hostile to the Soviet Union, but actually they encouraged the hooligans, for after these acts of rowdyism, which took place on June 21 and which were accompanied by the hreaking of the Delegation's windowpanes, the authorities permitted the hostile demonstration of June 22, in the course of which even more violent acts of rowdyism took place. The American authorities thus failed to ensure for the Delegation of the USSR the most elementary form of security, which is the direct responsibility of the authorities with respect to foreign diplomatic missions in accordance with the generally accepted international standards.

In this connection the USSR Delegation to the UN protests to the Mission of the USA against the hostile acts committed with the sufferance of the American authorities with respect to the USSR Delegation to the UN, which acts even caused material damage to the Delegation.

The Delegation lays the responsibility for the hooligans' acts of rowdyism upon the appropriate American authorities, which are allowing demonstrations hostile to the Soviet Union to take place at the building of the USSR Delegation in violation of the UN Headquarters Agreement between the United States of America and the United Nations.

The USSR Delegation to the UN Insists that the Mission and the authorities of the USA take effective measures that will prevent the holding in the future of any kind of hostile demonstration at the USSR Delegation's building.

UNITED STATES MISSION TO THE UN, New York, N.Y.

Efforts for Release of Helicopter Crew and Passengers in East Germany

SUMMARY OF STEPS TO PROCURE RELEASE

Defense/State press release 355 dated June 26

In view of public interest the following summary is provided of the steps thus far undertaken by the U.S. Government to effect the release of the

² Delivered on June 23 to the U. S. Mission to the United Nations at New York, N.Y.

two-man crew and seven passengers of the U.S. Army helicopter which accidentally crossed the zonal border between the Federal Republic of Germany and the Soviet Zone of Germany on June 7. As a result of operational difficulties the helicopter landed near Zwickau in the Soviet Zone. Despite repeated requests made by the U.S. authorities on the basis of existing agreements with the U.S.S.R., the men and the helicopter are still being held in the Soviet Zone. The Soviet authorities have to date refused to honor their responsibilities to return the men and the helicopter promptly to U.S. control, and the East German authorities have obstructed attempts to make arrangements for the release.

The following steps have been taken:

The United States Military Liaison Mission (USMLM) at Potsdam was alerted by the Headquarters, United States Army Europe (USAREUR), on June 7 to the helicopter's disappearance and instructed to approach the Group of Soviet Forces, Germany, for any possible information on the missing aircraft and its nine men.

The Soviets replied by telephone early the morning of June 8, advising the USMLM that the nine men were uninjured but the helicopter was damaged. The Soviets said that both the men and the aircraft were in the hands of East German authorities and that any requests for their return should be made to the East German government.

The USMLM the same day strongly protested to the Soviets that this was a military matter between the two forces and, as in past cases, should be handled by the Group of Soviet Forces, Germany.

Gen. Henry I. Hodes, USAREUR commander in chief, sent a personal note June 8 to General Zakharov, commander of Group of Soviet Forces, Germany, stating that he requested and expected that General Zakharov, his Soviet military counterpart, would insure the return of the helicopter and men as soon as possible. General Hodes added that the East German landing was assuredly unintentional.

Since General Zakharov had not replied to the June 8 note, Major General Suvorov, chief of the Soviet Military Liaison Mission in Frankfort, was called by General Hodes to USAREUR Head-quarters the afternoon of June 10. Suvorov was told that the incident was purely a military mat-

ter and that return of the men and helicopter was expected as soon as possible. General Hodes called attention to the provisions of the Huebner-Malinin agreement of April 5, 1947, which insures the Soviet and U.S. Missions of the right to protect the interests of their nationals in the zones of Germany. General Hodes told him that, if the situation were reversed, he would promptly return the helicopter and personnel. General Suvorov said he would transmit this to his superiors.

Col. Robert P. McQuail, chief of the USMLM, visited Colonel Sergeyev, chief of the Soviet External Relations Branch, on June 12 to request delivery of a box of Red Cross supplies to the nine men. Sergeyev replied that he could not assure delivery owing to "circumstances" and did not accept them.

General Zakharov's reply to General Hodes' June 8 note was finally delivered the afternoon of June 12 by General Suvorov. General Zakharov stated that the action requested was not within the province of the Group of Soviet Forces, Germany, but was solely within the competence of East German authorities. He added that the helicopter and its passengers had been apprehended and detained by the East Germans; hence it was not a military problem but one which fell within the competence of the East German government. General Hodes replied that this was a military matter which the Group of Soviet Forces, Germany, should handle regardless of who had custody of the U.S. soldiers and again reminded Suvorov of the Huebner-Malinin agreement. General Hodes also asked about the present whereabouts of the nine soldiers. General Suvorov replied he did not know. General Hodes further told him he was disappointed that the Soviets had ignored the United States Military Liaison Mission's repeated efforts to obtain their assistance in contacting the U.S. soldiers. General Hodes again asked how the USMLM could contact these men and return them to his com-Suvorov said he would ask his headmand. quarters.

In accordance with arrangements made by Soviet authorities, Colonel McQuail, chief of the USMLM, met with the East German Deputy Foreign Minister, Otto Winzer, at 1000 hours June 14. Colonel McQuail, as a representative of the USAREUR commander in chief, asked that the nine men and the helicopter be returned as speedily

as possible. Colonel McQuail referred to the Huebner-Malinin agreement and pointed out that arrangements under the agreement for the return of personnel between the United States and Soviet Armies had worked effectively in the past. The sum of Mr. Winzer's reply was that he could negotiate only with a person possessing authority from the United States Department of State or the U.S. Government. At the meeting's conclusion arrangements were made to deliver the packages mentioned above to the Foreign Ministry for transmittal through the Red Cross to the nine men.

Colonel McQuail met with Mr. Winzer for the second time on June 16. Colonel McQuail told Mr. Winzer he was authorized to make appropriate arrangements to effect the immediate release of the men and plane. Colonel McQuail was handed a draft intergovernmental agreement prepared by the East Germans for signature by the "plenipotentiaries" of the U.S. Government and the "Government of the German Democratic Republic." Colonel McQuail replied that he would pass it on to his superiors. He also asked if he could visit the nine men. His request was refused. The next meeting was set for the following Wednesday.

Colonel McQuail met with Mr. Winzer for the third time on June 18. He advised Mr. Winzer that he had documentation from both the senior military and senior diplomatic representatives of the United States in Germany but that the draft agreement handed him 2 days earlier was wholly unacceptable. Colonel McQuail added that he was ready to meet all normal and reasonable requirements and that he had with him a receipt for the U.S. personnel. Mr. Winzer replied that he was not prepared to accept this procedure, and the meeting ended inconclusively. Mr. Winzer asked that a fourth meeting be held the next day.

A 30-minute meeting the following day (June 19) between the two principals ended on the same inconclusive note.

Also on June 19 General Hodes again sent a personal note to General Zakharov reiterating his demand of June 8 for the prompt return of the nine men and helicopter. The USAREUR commander reasserted General Zakharov's responsibilities under existing agreements to effect the return. He added that adherence to the Huebner-Malinin agreement is necessary if the respective liaison missions are to continue to carry out their assigned tasks. General Hodes further requested that Gen-

eral Zakharov assist the USMLM in visiting the nine men to ascertain their health and welfare and furnish them necessary personal accessories.

On Friday, June 20, Deputy Under Secretary of State Robert Murphy called in the Soviet Chargé, Mr. Striganov, acquainted him with the situation as described above, and requested that arrangements be made for the immediate release of the men and the helicopter. Mr. Murphy also handed Mr. Striganov an aide memoire on this subject.

On June 21 a further attempt to secure the release of the nine American soldiers and helicopter was made by Colonel McQuail, who met in East Berlin with Major General Tsarenko, Deputy Chief of Staff of the Group of Soviet Forces, Germany. The meeting resulted in a repetition of the previous stand taken by the Group of Soviet Forces, Germany, and a flat refusal to aid in contacting the eight officers and one enlisted man or to transmit relief supplies for them.

General Zakharov's reply to General Hodes' personal note of June 19 was delivered on the afternoon of June 23 to Headquarters, United States Army Europe. General Zakharov stated that he was not able to add anything to what had already been expressed in his note of June 11.

As of this time, no reply has been made by the Soviet Embassy here to the Department of State.

TEXT OF U.S. AIDE MEMOIRE OF JUNE 201

On June 7, 1958 the pilot of a United States Army helicopter en route from Frankfort to Grafenwoehr in West Germany inadvertently crossed the zonal border and made a forced landing near Zwickau in East Germany. The helicopter carried eight Army officers and one enlisted man.

On the following day, as soon as it was known where the aircraft had landed, the Commander-in-Chief of the United States Army in Europe, General Hodes, sent a note to the Commanding General of the Group of Soviet Forces in Germany, General Zakharov, expressing regret at this unintentional overflight and landing and requesting the return of the men and the aircraft to United States control.

¹ Handed by Deputy Under Secretary Murphy to Soviet Chargé d'Affaires Sergei R. Striganov.

On June 10, having received no reply, General Hodes asked General Suvorov, the Chief of the Soviet Military Liaison Mission to the United States Forces, to inform General Zakharov that a prompt return of the men and the aircraft was expected. General Hodes reminded General Suvorov of the Huebner-Malinin Agreement of April 5, 1947, which defines the functions of the Military Liaison Missions. Meanwhile, the Chief of the United States Military Liaison Mission, Colonel McQuail, repeatedly but unsuccessfully requested the assistance of the Soviet authorities in making contact with the United States personnel.

General Zakharov replied to General Hodes June 12 to the effect that this question was not a matter for the Soviet Forces but was "solely within the competence of the German Democratic Republic." General Hodes expressed to General Suvorov, who delivered the reply, his disappointment with the position taken by General Zakharov. He emphasized that this was a military matter with which General Zakharov was obligated to deal. He reiterated that the Huebner-Malinin Agreement gave the United States Military Liaison Mission the right to aid the United States personnel in question and asked how the Mission could make contact with the men and arrange for their return.

Colonel McQuail thereupon requested the Soviet military authorities to intervene with the local German authorities. This request was refused.

Colonel McQuail next requested that the Soviet military authorities put him in touch with the local German authorities with whom arrangements could be made for the release. The Chief of the External Relations Branch of the Soviet Forces, Colonel Sergeyev, on June 13 made an appointment for Colonel McQuail to discuss the return of the men and the aircraft with Mr. Otto Winzer, a Deputy Minister for Foreign Affairs, and arranged to have a Soviet officer accompany Colonel McQuail.

Colonel McQuail and Mr. Winzer have since had four meetings, on June 14, 16, 18, and 19, but these meetings have unfortunately produced no result. Colonel McQuail has shown documentation from both the American Ambassador and General Hodes confirming that he is fully authorized to undertake discussions and make arrangements for the return and has assured Mr. Winzer that he is

ready to meet all normal and reasonable requirements for doing so. He showed Mr. Winzer the form of a receipt which he or the officer accepting the men and aircraft would be prepared to furnish, and he offered immediate reimbursement of various expenses which had been mentioned by Mr. Winzer. Mr. Winzer, however, repeatedly obstructed the conclusion of arrangements for the return by interjecting procedural difficulties and raising extraneous political issues. Mr. Winzer made the co-operation of the local German authorities conditional upon the willingness of Colonel McQuail or other representatives of the United States to agree to unnecessary and unacceptable negotiations or formal agreements.

Under these circumstances, General Hodes gave General Suvorov on June 19 a memorandum for General Zakharov calling the latter's attention to the delay. He reminded General Zakharov of his responsibility under existing agreements and pointed out that the discussions with the local German authorities, which the Soviet authorities had arranged, had been unsuccessful. He reiterated his requests that the men and aircraft be returned immediately. He asked that, in the meantime, arrangements be made for Colonel McQuail to visit the men.

The Government of the United States wishes to draw attention to the arrangements worked out between General Clay and General Sokolovsky in August, 1946 providing for the immediate return of Soviet personnel who were arrested or detained in the United States Zone of Occupation, and of United States personnel who were arrested or detained in the Soviet Zone. These arrangements were supplemented by the Huebner-Malinin Agreement of April 5, 1947 relating to the activities of the Military Liaison Missions accredited to the Soviet and United States Commanders-in-Chief. Paragraph 14 b of this Agreement provides:

In each zone the mission will have the right to engage in matters of protecting the interests of their nationals and to make representations accordingly as well as in matters of protecting their property interests in the zone where they are located. They have a right to render aid to people of their own country who are visiting the zone where they are accredited.

Until the present incident, the procedures set up under these agreements for the return of military personnel of the two countries when arrested or detained have functioned effectively. Thus, in the past year, the United States authorities have returned a Soviet soldier, Private Nikolai F. Rusanov, to the Soviet military authorities, while the Soviet authorities, only three weeks ago, returned three United States airmen to American control.

The Government of the United States views with grave concern the prolonged detention in the Soviet Zone of Germany of the military personnel and aircraft in question. It wishes to reemphasize the responsibility of the Soviet military authorities in Germany to see that the men and the aircraft are returned to United States control without further delay.

The Government of the United States therefore requests that appropriate instructions be issued urgently to the Soviet military authorities in Germany to assure that the United States personnel and helicopter are promptly returned to United States control in accordance with the long-standing mutual arrangements referred to above.

Letters of Credence

Argentina

The newly appointed Ambassador of the Argentine Republic, César Barros Hurtado, presented his credentials to President Eisenhower on June 23. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 341.

Libya

The newly appointed Ambassador of Libya, Mansour Fethi el-Kekhia, presented his credentials to President Eisenhower on June 23. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 340.

U.S. and Denmark Sign Amendment to Atomic Research Agreement

The U.S. Atomic Energy Commission and the Department of State announced on June 26 (press release 354) that the Governments of Denmark and the United States on that day signed an amendment to the agreement for cooperation between the two countries concerning the peaceful applications of nuclear energy which has been in effect since July 25, 1955. Assistant Secretary of State for European Affairs C. Burke Elbrick and Atomic Energy Commissioner Harold S. Vance signed the amendment for the United States, and Ambassador Henrik de Kauffmann signed for Denmark.

This amendment was negotiated under the Atomic Energy Commission's revised policy of permitting the transfer of 90 percent enriched material for use in research and materials-testing reactors where such use is technically and economically justified and the core loading does not exceed 8 kilograms.

The amendment extends the term of the existing agreement with Denmark to 10 years. It will provide for the transfer of a maximum quantity of 50 kilograms of uranium in the fissionable isotope U-235 for the fueling and operation of research reactors. The great majority of this material will be utilized in the DR-2, tank-type research reactor to be located at the Danish research center at Risoe, 30 miles west of Copenhagen. The expected completion date is the fall of 1958.

The amendment will become effective after all of the statutory and parliamentary requirements of both nations have been fulfilled.

¹ Treaties and Other International Acts Series 3309.

Freedom of Ideas vs. Censorship

by Andrew H. Berding
Assistant Secretary for Public Affairs 1

I start this address with the premise that between the Soviet Union on the one hand and the United States of America and our allies on the other there exists a military balance of power. Therefore there is little likelihood that the Soviet Union will launch a military venture.

I likewise start with the premise that the Soviet Union still cherishes its traditional design to dominate the world. This fact is frequently manifested by Premier Khrushchev, who predicts the inevitable victory of communism over capitalism and says on American TV that our grandchildren will live in a Communist state.

The Soviet Union, seeing no promise in military ventures, is now determined to achieve its ends through political, economic, and psychological offensives. Today I should like to speak only of the last—the psychological.

The attention of Americans has been drawn particularly to this field in the last 9 months—from the time on October 4 when the first Soviet Sputnik soared into orbit around the world. The propaganda implications of this achievement were immediately obvious. Then, and since then, many questions have been raised as to where we stand and where we are going on this battlefield of ideas.

Many of us who have been working in this field were asking the same questions and trying to find answers years before Sputnik roared into outer space. We recognized that the Soviets had developed an enormous propaganda machine. We

admitted their skill, their ruthlessness, their persistence. We analyzed their use of the Communist Parties in most of the countries of the world. We evaluated their appeals and approaches to foreign peoples, particularly those in less developed countries. We came to the conclusion that a strong and unremitting effort was required to meet the Soviets successfully on this important battleground.

Today a major effort is vital. The war in this field needs to be conducted with the same tenacity, vigor, and skill that we would use in countering any military offensive.

The Soviets start with certain advantages. I shall call these short-range advantages because I am confident that in the long run many of them will turn into disadvantages.

First is the fact that they have no regard for the truth. They can say one thing in one part of the world, something entirely opposite in another part of the world. They say to the French people that the United States wants to drive France out of Algeria so that American capitalists can take over. They say to the Algerians that the United States is in league with France to suppress their desire for independence.

Another advantage is that the Soviets can take action without consulting anyone, either at home or abroad. When we take an action or make a statement or send a communication to Moscow, we need to consult our close allies and perhaps all the members of a given mutual security arrangement, like NATO. That may result in delay, and it may require changes in deed or word. We also consult with other sectors of our own

¹ Address made before the annual convention of Civitan International at New Orleans, La., on June 24 (press release 343 dated June 23).

Government and with Congress. Before taking certain actions we may require authorizing and appropriations legislation from Congress. And in the process we must reveal our objectives and plans.

The Soviet Government does not have to go to its shadowy congress for appropriations for their propaganda effort. How much they spend for propaganda is anyone's guess, but it is undoubtedly several times our own expenditures. For instance, we estimate they spend more on jamming the Voice of America than the Voice of America spends on its total output. We know the approximate number of transmitters engaged in jamming, and our engineers can figure out the cost of operation.

Government Control of Soviet Press

One great advantage the Soviets have in overseas propaganda is the fact that they have a controlled press at home. You and I can be eternally grateful for the fact that we Americans have a free press. Our democracy could not live without it. Before I outline what a controlled press means to the Soviets, let me describe to you what is the situation in this respect. Two forms of censorship are drastically exercised in the Soviet Union. One is censorship of news and comment at its source, that is, suppression of news so that it is not printed in Soviet newspapers. The other is censorship of news and comment as foreign correspondents seek to send it abroad.

The Soviet press is officially characterized as the "arm of the Party." Its professed function is not to disseminate objective news but to support the policies of the Communist Party of the Soviet Union and the Soviet Government. Soviet information media employ a broad range of methods for shaping the news to serve this purpose. This runs the gamut from outright suppression of information to the printing of unrepresentative statements and half-truths, distortion of information, and slanted analyses.

Crime and statistics on crime and on the prison population are closely guarded secrets. Most newsworthy arrests are not reported. Trials in process are generally not printed. Disasters and accidents are not reported unless they involve casualties to foreigners. No information is released on sessions of the Communist Party

Presidium, even the fact that a meeting has been held. Meetings of the Central Committee plenums are announced only after they have been held, and no information is published on their deliberations. The process of reaching major policy decisions is kept from the public. Such decisions are announced by fiat and, of course, with no hint of opposing views.

Information on the reasons for major personnel appointments or dismissals is often not released. The dismissal of the head of the Soviet Government, Premier Bulganin, was announced simply with the statement that Nikita Khrushchev had taken over. Not a word was said as to why Bulganin was dismissed or what he would do. Last week Moscow announced the shocking execution of former Premier Nagy of Hungary and the three other Hungarian leaders without saying where or when they had been executed.

No meaningful statistics on the breakdown of the Soviet population by social groups and nationalities have been published for 19 years. Civil disorders, such as those at the Vorkuta slave-labor eamp and at Norilsk in 1953 and at Tiflis in 1956, are never reported. Other expressions of dissatisfaction by the populace are generally not reported.

On the military side, the Soviets have made only 12 announcements of nuclear tests, although we know they have conducted many more. They have never given prior notice of a test, such as we do. No formal announcement of the most recent and extensive Soviet test series has yet been made. They announced their suspension of testing without mentioning that they had just completed a series of test explosions particularly heavy in fallout. While trying to make propaganda gains on the dangers of radioactivity, the Soviets have released no actual figures on fallout from their own or other tests.

They release no data on the numerical strength of their armed forces, the number of troops stationed abroad, the number of military personnel inducted or released from active service per year, and the number of warships, planes, and other equipment in use. Although the Soviet Government announced plans for troop reductions allegedly totaling 2,140,000 in 1955 to 1957, it has not revealed the extent to which these affected total force levels nor do we know if they were ever actually carried out. Troop movements, the

location of military maneuvers, and the location of troop units are not made public.

As for the military budget, only an overall figure allegedly representing total military expenditures is given in the published Soviet budget. No information is released on the allocations of this sum. No data are published on the relationship of Soviet military expenditures to the gross national product. The overall budget always contains a large unexplained difference between the total figure and the total of the specific allocations.

No failure of military or other tests is ever mentioned. I am convinced that, before the Soviets launched their first Sputnik, they had failures—but not a word about them was published. They probably had failures, too, during the interval of many months between the launching of their second Sputnik and the third.

On the economic side, comprehensive figures on the personal income and consumption patterns of the Soviet populace have not been released for years.

The Soviet Union publishes no absolute production figures for grain and most other agricultural products. They publish no statistics on the production of nonferrous metals, diamonds, asbestos, magnesite, pyrite, petroleum derivatives, merchant ships, civil aircraft, military equipment, and most chemicals. Efforts by foreign correspondents to get such information are branded as attempts at "economic espionage."

Wholesale industrial prices, agricultural procurement prices, and comprehensive figures on retail prices are not published.

On the international side, major statements by Western governments and political leaders are often ignored or distorted. Accounts of United Nations proceedings are warped beyond recognition. Accurate information on foreign living standards is carefully kept from the Soviet populace. Information on economic and social progress in Western countries is almost invariably suppressed.

Reductions in military strength by the Western Powers are not reported.

Accurate information on Western political institutions is not revealed.

One method of keeping international news from the Soviet peoples is jamming Voice of America, British Broadcasting Company, and other foreign broadcasts. On recent TV appearances in this country Soviet Ambassador Menshikov has sought to convey the impression that it is not correct to say that jamming is continuing in the Soviet Union. Unfortunately he is mistaken. The Ambassador has gone to Moscow. I hope he tries to listen in Moscow to Voice of America broadcasts. His ears will tell him they are heavily jammed. Fortunately the jamming is not fully successful, and Voice of America broadcasts do get through to many parts of the Soviet Union.

You will note that the examples of suppression I have listed are common items of information. They are of a type routinely available to the public in Western democracies. To sum up, the suppression of information in the Soviet Union is all-pervading. One can only wonder what fears, what weaknesses beset the Soviet leaders to make them build a wall of secrecy and censorship between their own people and what to us is simple news or public information.

Censorship of News From Moscow

I come now to the second aspect of suppression of information. Censorship of dispatches by American and other foreign correspondents stationed in Moscow is constant and extensive. These correspondents, competing eternally with the basic suppression of news in the Soviet Union, have also to compete with the fact that, once they have painstakingly got hold of news or comment, they may not be able to get it out. In recent weeks Soviet censorship of foreign correspondents' dispatches from Moscow has become increasingly severe and arbitrary. This censorship is marked by two objectionable characteristics. One is deletion of material. The other is delay.

Recently the Soviets expelled on trumped-up charges U.S. Embassy Secretary John Baker.² All stories on this expulsion were eliminated.

A dispatch which contained nothing but a biography of General de Gaulle printed in the latest large Soviet encyclopedia was killed.

Two weeks ago the Soviet spokesman Ilya Ehrenburg held a press conference. He made statements opposing all censorship and specifically approved these statements for quotation by the correspondents. But just the same the censor

² Bulletin of June 16, 1958, p. 1005.

deleted from dispatches all material relating to censorship.

All stories were killed reporting that former Premier Bulganin's birthday had gone unnoticed this year.

At the time of the recent Warsaw Pact meeting any reference to the fact that the U.S.S.R. had had prewar nonaggression pacts with the Baltic states was deleted.

Stories were censored concerning the press conference on June 9 by an American delegation of women doctors visiting the Soviet Union under our official exchange agreement.

As for recent delays, there was a 17-hour delay in clearing Khrushchev's remarks at the British Embassy on June 12, and then only with some omissions. There was a 30-hour delay in clearing any stories on the resumption of public hearings in the Israeli-Soviet commercial arbitration case. There was a 24-hour delay in clearing pressconference remarks of a British "peace" delegation which had seen Khrushchev; and some of his reported remarks were deleted.

When correspondents send service messages to their home offices reporting their inability to file stories or explaining certain operating problems, heavy censorship occurs.

Incredible as it may seem, in a recent *Meet the Press* TV program Ambassador Menshikov attempted to make the point that there is no censorship in the Soviet Union. Fortunately one of the panelists was my friend Clifton Daniel of the New York *Times*. He had been a correspondent in Moscow; he immediately spoke up to say that his dispatches had been censored many times.

As long as there exists this censorship at source, keeping the facts from the Soviet people, and censorship at exit, there can be no true assurance of the friendly relations we want to see exist between our two countries. It is significant that, in the list of headings we handed the Soviet Foreign Office on May 31 ° as suggested items for discussion at a possible summit conference, we find mentioned under the title of "International Exchanges" the following subheadings: Cessation of jamming of foreign broadcasts; Censorship; Free distribution and sale to the public of books and publications; Free distribution and sale of foreign newspapers and periodicals.

As President Eisenhower said at the summit conference at Geneva in 1955,4

... friendly understanding between peoples does not readily develop when there are artificial barriers such as now interfere with communication.

We believe that secrecy can lead only to misunderstanding, to an increase in tensions. We have made specific proposals based on this belief to eliminate obstacles to a free flow of information. We regret that the Soviet Government has, however, never accepted the proposal of the Western Powers at the Geneva Foreign Ministers Meeting in 1955 to eliminate censorship.⁵

We also regret that the Soviet Government, despite its allegations that it desires to decrease tensions and to increase friendly contacts among peoples, now has decided to strengthen the barriers it has erected against a free flow of information. Such action can only cause us to ask why the Soviet Government wishes to hide from the outside world the truth about the Soviet Union. It causes us to question the sincerity of repeated statements of Soviet leaders that they desire friendship and mutual understanding among peoples.

How the Soviets Benefit From Censorship

Having described, with examples, the censorship situation existing in the Soviet Union, I now want to show the benefits the Soviets draw from it in their overseas propaganda.

If you travel abroad, as I do when I go to international conferences with Secretary Dulles, you are often appalled at the news from the United States you find printed in foreign newspapers as compared with news from the Soviet Union. Item after item is concerned with murder and kidnaping, with the morals or lack of morals of Hollywood, with disaster, and with strife and conflict. This material is sent out by American and foreign news agencies. I am certain these news agencies select it on the basis of its news value, although I often wish they would adopt more the news standards of responsible newspapers and less the standards of sensational newspapers. And I am sure they would send equivalent news from the Soviet

³ Ibid., July 7, 1958, p. 12.

^{&#}x27;Ibid., Aug. 1, 1955, p. 171.

⁶ Ibid., Nov. 14, 1955, p. 778.

Union if they had it, but the fact is the Soviets don't let them get it. The result is, you find a sharply unbalanced covering of news about the U.S.A. and the U.S.S.R. in the foreign press.

For instance, at the time of the Little Rock incidents, a veritable deluge of hundreds of thousands of words were cabled abroad. In the Soviet Union there have been instances of racial repression since the last war that make Little Rock look like a Sunday-school picnic. Many hundreds of thousands of men, women, and children have died in these repressive actions. But the American and foreign press have carried very little about them—probably less than 1 percent of all the material they carried on Little Rock alone.

Another advantage the Soviets draw from their controlled press in relation to ours is this: In our own press you daily find numerous instances of sharp criticism of the U.S. Government and its policies, either in the form of quotations from speakers or in the form of editorials. Soviet propaganda picks up these criticisms and uses them widely, giving the world the impression that our Government is assailed by a storm of opposition. Our own Government media, like the U.S. Information Agency, and the commercial media, like the news agencies, on the other hand, can carry no such criticism of the Soviet Government from Russian speakers or editorials. There are no such reports of speeches. There are no such editorials.

As a result of the contrasting positions of the press in the Soviet Union and the United States, we and foreign peoples hear much about our failures and little or nothing about Soviet failures. I am convinced the Soviets had failures before they put up the first Sputnik, but nothing came out of the Soviet Union on the subject. Yet our first failure with the Vanguard was trumpeted around the world by press and radio and newsreels.

Characteristics of Soviet Propaganda

Soviet propaganda is marked by certain interesting characteristics. First, it generally accuses and attacks. It seldom defends. It repeats accusations again and again.

Second, it tries to single out in each country one government leader as a target for attack. In the United States it is Secretary of State Dulles. You can be sure that the Soviets attack him because they know he sees through their designs and seeks to thwart them.

Third, Soviet propaganda operates under the motto: divide and rule. It incessantly seeks to create dissension between the countries of the free world—dissension between the industrial countries and the less developed countries, dissension particularly between the countries united in mutual security agreements for defense against international communism. It also seeks to sow dissension between classes and groups within countries.

Fourth, Soviet propaganda follows the technique that might be called the "wave of the future." It seeks, as Khrushchev does in many of his statements, to make the world believe that the Soviet Union will surpass the United States in the production of this or that commodity and that capitalism is doomed to fall before communism.

Fifth, Soviet propaganda is a master of slogans regardless of substance. It has made great headway with its slogan of "ban the bomb" and the later one, "ban atomic testing."

At the base of all Soviet propaganda is the attempt to create the conviction that it is the Soviet Union that truly wants peace, while the United States and its allies want war. This note is forever being played on all the instruments of the propaganda orchestra.

Here the Soviets have the same advantage as did the prodigal son. Remember, it was he and not his brothers who got the special attention of their father. He had been the bad one, and he had repented. In the same way the Soviet Union, in the opinion of the majority of the people of the world, is the one that has created trouble. It took over one nation after another; it authorized the war in Korea; it savagely repressed the Hungarian uprising. Hence, when the Soviets talk peace, this is listened to more gratefully than when America talks peace.

We have had a higher standard of behavior throughout history, and therefore people of other countries expect more of us than they do of the Soviet Union. Moreover, we are a far wealthier nation; hence people look to us for greater economic benefits. And if they do not receive them, and in the amount they wish, they often express dissatisfaction, even resentment.

There is also the fact that we ourselves threw

off colonial rule. Therefore, peoples who are demanding independence often think we should be automatically on their side, regardless of what our relationships with other nations might be.

Combining Words With Actions

In any attempt to evaluate the propaganda conflict it is important to keep in mind that results are produced much more by actions than by words. I would hazard a guess that words produce no more than 10 percent of the total impact; actions account for 90 percent.

The Soviets are skillful in combining words with actions. They got the utmost effect with Sputnik. In one of their first announcements on Sputnik they gave the time when it would be passing over Little Rock, which was then very much in the news, and over Bandung, which had been the location of the Afro-Asian conference 3 years ago, a conference the Soviets utilized greatly in their propaganda output.

We, too, know the value of combining actions with words. On our side, however, actions are taken to produce a beneficial effect, whereas on the Soviet side actions are often taken solely for propaganda effect. An outstanding example on our side is President Eisenhower's atoms-for-peace proposal to the General Assembly of the United Nations in December 1953. Another is his open-skies proposal in 1955. A more recent one was our proposal last month for international inspection of the Arctic area.⁶

One question frequently asked us in Washington is, who has the initiative in the war of ideas? I think the answer lies in what I just mentioned, that the real impact is produced by action, plus words. If we took words alone, it might seem the Soviets had the initiative because of the flood of letters, messages, statements, and the like that issues from the Kremlin. But in the field of action we have taken the initiative again and again.

I believe that at times the avalanche of words from the Kremlin reacts against them. This was true with the series of letters from Bulganin and then Khrushchev to President Eisenhower relating to the summit conference. That series raised doubts as to whether the Soviets want genuine settlement or desire a summit conference for other political and propaganda purposes. They seem to wish a conference that would give the world a

fictitious impression of agreement which would lead to a relaxation of the intent of free-world nations to remain strong and united.

Where We Stand in the War of Idéas

I should like to conclude with a few observations as to where we stand in the psychological field.

There is no question of the great importance of winning the war of ideas. To do so we need to increase our effort and skill. We need to keep the psychological impact of our actions ever more in mind. We need to take additional actions that will produce an effect in the minds of men. We need to augment our long-range programs, such as the exchange of students, professors, and leaders of opinion. We need to find better ways to get the message of our life and ideas across to the peoples behind the Iron Curtain, particularly the Soviet peoples.

But, as we measure results, I think we should bear in mind what Secretary Dulles has said, that we are seeking not to be liked but to be respected. It is not easy for a powerful and wealthy country to be liked. No one, they say, likes a millionaire. But it is possible for a powerful and wealthy country to be respected. We Americans are too preoccupied that we are not better liked by other peoples. I think, in fact, we are better liked than we realize. Too often we take too seriously foreign editorial comment brought in by the news agencies as representing foreign public opinion. But the essential is that we be respected so that our policies may find adequate support. And I believe we have the respect of the foreign governments with whom we have to deal.

I believe that one factor in our favor is that there is a basic suspicion among other peoples, particularly among educated peoples, of what the Soviet Union does and says. I am convinced there is more disposition to place credence in our actions and words than in those of the Soviet Union. This is invariably reflected in voting in the United Nations.

I believe also that other peoples are more inclined to rely on American promises. Many peoples have had bitter experience with Soviet promises.

Most people, too, have at least a reasonably good idea that in the United States the dignity of the

[°] *Ibid.*, May 19, 1958, p. 816.

individual is more respected than in the Soviet Union. They feel that here there is devotion to the ideal of human freedom. Here there is respect for humanity and human life.

Our own press speaks all too frequently of Soviet propaganda victories. Let us remember that in recent years they have had propaganda disasters of major proportions. The uprisings in East Berlin and East Germany were one. The spontaneous revolt in Hungary and its brutal repression was another. The gradual drawing away of Poland was another. The breaking away of Yugoslavia was another. The constant flow of refugees from East Europe to West Europe, flee-

ing from Communist rule to freedom, is still another. A few days ago we had one more in the execution of former Hungarian Premier Nagy and the other Hungarian leaders. And within the Soviet Union the biggest disaster of all is yet to come as an irreversible trend of questioning of the Communist ideology grows and expresses itself as the people become more educated.

The struggle on this battlefield of ideas may go on for many years. But I believe that at any moment of major crisis we can count on the understanding of the majority of the peoples of the world and on the support of the governments whose help we need.

Problems Facing the United States and the Western World

Following is the transcript of an interview recorded at Washington between Secretary Dulles and Edgar McInnis, president of the Canadian Institute of International Affairs, which was telecast by the Canadian Broadcasting Corporation on June 23 and carried on CBC Radio on the same day.

Press release 347 dated June 23

Mr. McInnis: Mr. Secretary, it's a little over 5 years since you took office, and quite a number of things have happened in that time. Stalin has gone down, and Sputnik has gone up. We have had an uprising in Hungary and a number of other disturbing episodes. Do you think that has changed the basic problem that is facing the United States and the Western World?

Secretary Dulles: No, the basic problem, Mr. McInnis, is the problem created by communism, international communism, and its creed. Now, that hasn't changed, and the people who are running the Soviet Union and the Soviet-bloc countries, generally they are guided by a creed, and that hasn't changed. The creed is to dominate the world, and, while different personalities are called on to carry this out and while they have different techniques, the basic problem remains just the same.

Mr. McInnis: Now, the Soviet Union has been shifting both the focus of attack and the means

that it has used. Do you think that we need to change our methods of approach in the light of those circumstances?

Secretary Dulles: I think undoubtedly so. The Soviet Union has changed its methods very largely because we have blocked them off by what you might call the military method. Up until 1950 or thereabouts, during that postwar period of 5 years, they largely used the military method, and, as we built a military network of mutual security treaties all about the Sino-Soviet bloc, protecting the free nations there, they have found it less and less profitable to use the military method. Also, as their economy has developed and become stronger, they have relied more and more upon economic offensive—political-economic offensive—and we must take that into account, of course.

Mr. McInnis: Do you think that has made it more difficult for us to grasp the initiative—this new variety from the Soviet side?

Secretary Dulles: I think that there has been a little tendency on our part to stick too much with the military, as though that was the only reply that was required, and perhaps we haven't shifted as rapidly as we should have to meet this new political-economic offensive. But I think we are doing it pretty well now, and indeed there is no reason why we shouldn't do it very well because

that is more in line with our practices and our past thinking, our capabilities, than the military is.

Mr. McInnis: Sir, I was thinking of something you said earlier in the month, that we are not drifting rudderless on the sea of change—we are quiding and influencing the course of change.

Secretary Dulles: I think that we are. As I said at that time, the world is undergoing immense changes. You had this whole changeover from the colonial system to widespread independence of the 20 new nations and 700 million people since World War II. You're having the change that comes from the splitting of the atom and new sources of power. You have the change that comes from the fact that for the first time the world and man can use outer space. All these changes are coming, and we must adapt ourselves to them.

Mr. McInnis: Now, on the political implications there, however, sir, what examples would you give of places where we definitely hold the initiative and are able to influence the course of events in that way?

Secretary Dulles: Well, I think that we have the initiative in almost all of the free world and that that initiative is being challenged in certain places, as in the Middle East, perhaps in Indonesia, and in certain areas of Asia. I feel that in the main we do have the initiative. I think that almost all of the free-world countries would rather continue to be in the free world. But some of them get attracted to the other world by the fact that they have problems—you might say quarrels, perhaps—of their own, and they feel that by going on the other side, at least temporarily, they can get advantages to help them in what seems a very important matter. And they sometimes dally with communism in a way which we think risks their independence. They think they can do it without risk to their independence, and in that respect the Soviet Union has in certain spots gained certain advantages.

Mr. McInnis: Of course, in that area too, sir, there is a nationalism that isn't directly connected with communism, although communism can some-

times profit by it. Doesn't that present a different facet?

Secretary Dulles: Well, you know, back in 1924 Stalin made a lecture on what he called the problem of nationalism. And he explained there that the Soviet Communist technique would be to develop extreme nationalism to the point of causing some of these countries to break their relations with the West; and, having used extreme nationalism to break their relations with the West, then they would be ripe to be, as he put it, amalgamated in the Soviet bloc. And you can see that technique in operation. They whip up extreme nationalism to get countries to break relations with the West, as is evident in how independent they are and in the fact that in the process they destroy their own independence because, as we all say now-Harold Macmillan has picked the theme up very much—independence today depends upon interdependence.

Mr. McInnis: Well, there have been occasions recently, I'm afraid, where the willingness to accept interdependence or to show any great affection for the West, and particularly for the United States, has not been very evident, has it, in Latin America, in the Middle East?

Secretary Dulles: There are places where there are outbursts against the United States and where the radio and controlled press for various reasons are antagonistic to the United States. We deplore those things, and perhaps we can do more—I'm sure we can do more—to prevent them, but some of these—

Adapting Our Methods to Changing Conditions

Mr. McInnis: Well, may I ask this, sir? That is what I was getting at. Do we need a reappraisal of our methods? What more should we be doing to effect this?

Secretary Dulles: Well, our basic methods, I think, are sound enough. We don't need to change our methods. I do think we need to vitalize our methods and be sure that they are better adapted to changing conditions. We can't be stereotyped in these things. We have got to recognize that changing conditions involve changing methods; but from the beginning of our history—at least it's so stated in the opening paragraph of The

¹ For a statement by Secretary Dulles on June 6 before the Senate Foreign Relations Committee, see BULLETIN of June 23, 1958, p. 1035.

Federalist papers—it seems to have been reserved to the American people by their conduct and example to demonstrate to the rest of the world what can be done with a free society. And that basic concept still prevails. It's still up to us to demonstrate to the rest of the world, to persuade them. But, in a tactical way, we have always sought to improve our methods, and should. And it is particularly right to do it at a time when our methods are being perhaps misinterpreted by Communist propaganda.

Mr. McInnis: I'm reminded again, coming back to the Middle East, of a prescription from one State Department officer a while ago that "masterly inactivity" was about the best policy for the moment. Well, it is pretty hard to make inactivity masterly at the best times, and I don't know whether circumstances have allowed us to take a more vigorous stand.

Secretary Dulles: That is a good point, that inactivity is seldom masterly. But there is another fact, which is—and I have learned that through a long life of experience in international affairs—doing the right thing at the right time. That is the essential thing. The right thing at the wrong time often fails. You have got to time yourself right. And there may be occasions when it is better to wait and get the right timing rather than to rush in with the right thing at the wrong time.

Prospects for Easing Tensions

Mr. McInnis: Yes. In addition to this positive winning over of our friends to a greater solidarity, there is, of course, the other aspect of trying to ease the Soviet pressure by an easing of tension. Do you see much prospect of an easing of tension at the present time?

Secretary Dulles: I'm sorry to say that I do not. The Soviet leaders all the time are talking about easing tensions. They are always attacking me because they don't think I properly understand them. But they also, I'm sorry to say, are constantly doing the things that seem to prove that I was right after all. And when you see a shocking thing like this murder of, this so-called execution of Nagy, and so forth, and the Hungarian revolt of a year and a half ago, their refusal even to talk about the reunification of Germany, al-

though we agreed 2 years ago that there was a close link between the reunification of Germany and European security, and surely there is, but they say they won't even talk about it—so I don't see any actual demonstration on their part of a desire to relieve tensions. And I don't think it's really compatible with their basic doctrine to do so.

Mr. McInnis: You did suggest a while ago that there were certain carefully negotiated agreements, such as the Austrian treaty and the cultural exchange, that could be followed up in other ways. Do you think there are any of those that could even smooth over perhaps some of the antagonism without perhaps touching the basic issues that you have mentioned?

Secretary Dulles: I believe that there are areas perhaps in the field of armament where we could have some useful agreements. And I think the most useful field for agreement would be to set up some of these areas of inspection against massive surprise attack. This proposal that we made in the Security Council a month or so ago,2 which was strongly supported by the Canadian Government, for having such an inspection zone over the polar areas—now, that really was something very constructive. We really hoped, and indeed up until the last minute believed, that something might be done with that. And I don't give up hope that things like that can be done. Now, I see in things of that sort perhaps the best immediate chance of doing something that will relieve tension because it will take away fear.

Mr. McInnis: Is trade another field where there is any possibility?

Secretary Dulles: I don't think that there is a great possibility of relieving tensions through trade. You see, the Soviet Union and the Communist bloc generally believe that trade is an instrumentality of politics. Khrushehev has said that in trade he is more interested in politics than he is in the economic aspects of it, and I believe that their trade is really an instrument of national policy and therefore does not provide a very good way for relieving tensions.

Mr. McInnis: Well, it looks then, doesn't it, as though we were going to have to face a two-power

² Ibid., May 19, 1958, p. 816.

world for a very considerable time if we ean't make any substantial bridge that will bring us closer together?

Secretary Dulles: I think that that is probable. Certainly we would be very ill advised to base our programs on the theory that this was a short struggle. Now, there are forces at work within the Soviet bloc which may lead to a modification of Communist policy and lead it to concentrate more upon promoting the welfare of the peoples within that bloc and less upon promoting the system all over the world. When that comes, then there will be a very great possibility of better relations.

Mr. McInnis: Well, that is a fairly long-range problem, isn't it? It's not going to happen right away.

Secretary Dulles: It isn't going to happen right away. But I think nobody can say with confidence that it might not happen soon. I don't say we should count on this happening soon, but, when you think of the kaleidoscopic changes that have gone on within terms of personality within the Soviet bloc, I think it's quite conceivable that you can have someone there who would put more emphasis upon the welfare of the bloc peoples, upon the Soviet peoples, and less emphasis upon this external adventure business. As I sav, it could come about soon. I don't think it's likely to because it would involve a certain departure from the basic Communist creed, but that creed is sufficiently flexible so it can be warped a bit, you know, in one direction or another.

Pragmatic Formula for Recognition

Mr. McInnis: I'm wondering whether—because we dislike the present situation so much—whether we are almost unconsciously waiting for something like that to happen, instead of saying, well, there is going to be a Communist China for quite a while, there is going to be an East Germany because of the Russian stand, and at least adapting ourselves for pragmatic purposes to the situation as it is today.

Secretary Dulles: Well, I don't mind adapting myself for pragmatic reasons to the situation that exists. But what is a pragmatic reason? A pragmatic reason is presumably a reason which is going to serve your purposes and get you somewhere.

If you're talking about, for instance, recognizing Communist China, I can't see that it gets you anywhere to do so. There is no doubt but that it is a fact, but I question whether—when you magnify it yourself by giving it more influence and power and when it is hostile to you—that is meeting a pragmatic test.

Mr. McInnis: Is there any parallel there to recognizing governments in South America that we don't like very much either?

Secretary Dulles: We recognize governments oftentimes whether we like them or not, but the primary consideration, I think, in terms of recognition, is: Will recognition serve to advance the interest of your own country? Recognition is not a right. No group has a right to be recognized. We did not recognize the puppet governments that were set up in Europe during the war. They were de facto governments. We did not recognize the puppet government that the Japanese set up in China, although it was in effective control. Why? Because it didn't serve our interests to do it. And I think you are entitled to take into account whether these things will actually serve your interest or not. I accept the pragmatic formula which you suggested.

Mr. McInnis: Yes, sir. I'm just wondering, in the light of this picture, whether there is any chance for a coexistence of sorts that will enable us to get along with this pragmatic situation that we have?

Secretary Dulles: Well, I believe we are going to go on existing together. I believe that the way to do that best is not to have to pay tribute for it. What will we have to pay for coexistence? We have to pay a lot in terms of having an effective defense establishment, in terms of financing and backing mutual security programs and the like, but we shouldn't pay one cent as tribute. We have an old saying here, you know, "Millions for defense, but not one cent for tribute." Once you begin paying tribute, and once you have to say to the Soviets, "All right, if you will allow us to coexist with you, we will make this concession or we will make that concession," that moment you are lost.

Mr. McInnis: But I wasn't thinking in quite those terms, rather in terms of perhaps modifying some of the things that we have suggested and going a little farther at least to test out the willingness of Russia to make some kind of a response in disarmament; for example, in even suspension of nuclear tests, could we go a little farther than we have done?

Secretary Dulles: Well, I think we have gone quite a ways. Now, you know, we are sending our experts over to Geneva to be there on the first of July to talk about the technical requirements to suspend testing. We have made all sorts of proposals about setting up these areas of inspection against surprise attack. I think we are pretty flexible in this field of armament. And, of course, as far as the reunification of Germany is concerned, we have made also a whole series of proposals there designed to make it clear that reunification would not increase the military peril to the Soviet Union. They say now, in the last note of Mr. Khrushchev, it's an insult to them to suggest that they need any protection. But there is a certain inconsistency, I think, in their point that they don't want to have Germany reunified in NATO because that would increase their danger and then saving they don't want to have any protection against that danger because they are so powerful they can take care of it themselves.

Mr. McInnis: If this is the basis for coexistence, we obviously must have to maintain our eurrent strength, as you suggest. How long can we go on? Are there not signs of relaxing when the pressure of immediate fear is removed?

Secretary Dulles: Yes.

Mr. McInnis: Would perhaps negotiation itself tend to relax the guard of the West?

Secretary Dulles: Well, I think undoubtedly one of the motivations back of the Soviet leaders' demand for a summit conference is the hope that by getting there and exchanging platitudinous words of good will the impression would be created in the democratic countries that the danger was over and therefore they did not need to spend more money for defense and mutual security and the like, whereas in the case of the Soviet Union, where the Government actually is not dependent upon popular support, they could go on just the same. And that is one of the dangers we have to look out for. But I think, in general, there is no reason to assume that the free-world nations cannot maintain for a long time an adequate military

deterrent. After all, they have an industrial productivity many times that of the Soviet Union and the relative burden upon them is much less than upon the Soviet Union.

A Growing Free-World Community

Mr. McInnis: I was not thinking of capacity so much, sir, as of will and of a determined realization that this was necessary. And that made me wonder whether, if the danger of immediate attack diminishes, you don't want something more positive in its place in the way of a binding force, a sense of community within. Is that growing within—

Secretary Dulles: Λ community within the free world?

Mr. MeInnis: Within the free world, and particularly within the Atlantic world.

Secretary Dulles: I figure it is growing. And we certainly need it. There is no doubt about that. Of course, one of the hardest things, a thing that has in the past often been regarded as impossible, is to hold together an alliance when the danger of immediate attack or when the existence of actual war is over.

Mr. McInnis: Yes.

Secretary Dulles: At the last meeting at Copenhagen we expressed there the sentiment which was held by all of the members, that by developing NATO as a place where there was consultation and exchange of views we were creating something there. It was not just a military defensive organization. We were creating something new, almost, in history in drawing nations together—and independent nations—but nations who had enough regard for each other's views so that we sat down and talked over our problems together. And that is a very important problem.

Mr. McInnis: Lord Montgomery suggested a short time ago we were still thinking of NATO's purposes as a military deterrent and now we were being outflanked by economic infiltration in other areas and that we really hadn't a policy for that.

Secretary Dulles: Well, in the military sense I think we have pretty well coped with the situation. Now, of course, economic-political offensives don't have any necessary geographical boundaries. You can conduct those things at a distance. You can

leapfrog—go over the military lines. And there is certainly an intensification of that kind of a campaign. It's really nothing new. It has been planned by the Soviet Union for a long time, but they have only recently had a sufficient breakthrough in their own economic and industrial situation to be able to do that very effectively.

I notice that Stalin, in a speech he made nearly 20 years ago, said that in their foreign policy their primary reliance was upon their growing economic, political, and cultural strength. He put that as number-one 20 years ago. And they are doing that. And I think that we ourselves have got to be more responsive than we have been to meet that. But I think we have got to be more responsive, not only to meet the Soviet threat but to meet the new conditions of the world. We should be meeting them even if there wasn't a Communist threat.

Canada's Role in the Western Alliance

Mr. McInnis: Now, Canada of course is extremely interested in this, sir. We sometimes wonder what our position is. Are we simply auxiliaries, or do we have a special role in the Western alliance?

Secretary Dulles: Well, Canada has a special role in a number of respects. Of course, from a military standpoint, Canada, occupying the northern portion of this continent, has an extremely important part to play. The nations of Europe, basing themselves on past history, think, if another war should start, they would be the first targets. I think some of us feel that, if another war were to start, it could be over the Pole, and indeed Khrushchev suggested that in one of his recent messages.

In Canada, as one of the members of NATO which is on this side of the Atlantic with the United States, we have a special role together to point out to our European friends that the danger is not just to them, that we have got some problems over here. And we would be glad, on our side, to help point that out.

Mr. McInnis: We feel, of course, that we have a responsibility too. In fact, sometimes we feel our responsibility is a good deal larger than our influence. Is Canada listened to, for example?

Secretary Dulles: I can assure you that at every meeting that I have been to, whether it is at the

United Nations or NATO, Canada is listened to. Now, we are in some organizations where, unfortunately, Canada isn't—the Organization of American States and many of our Pacific organizations—so that we have certain responsibilities in certain parts of the world that Canada doesn't share with us. But wherever we are sharing them together, the voice of Canada is heard—

Mr. McInnis: Well, we occasionally—

Secretary Dulles: —and heeded.

Mr. McInnis: Thank you, sir. We occasionally have, of course, some differences of approach with the United States. Have we ever managed to change the American point of view or the American decision?

Secretary Dulles: You have, indeed.

Mr. McInnis: Could you give us examples?

Secretary Dulles: Let's take the most controversial thing, perhaps, of all—that is our wheat disposal policy. Now, I know that doesn't work to your complete satisfaction. But I do know this, that we do have a system whereby we talk these things over together and that has resulted in a very considerable modification of our practices. As I say, we don't quite meet your viewpoint, but I can say that the way we act in that matter is totally different from what it would be if we did not have Canada as a partner with whom we talked these problems over. It would be catastrophic to you if we didn't pay attention to some of your views.

Mr. McInnis: It could be, very definitely, and sometimes, of course, we feel we come down here and get pretty dusty answers on tariffs and even on wheat disposal, although I recognize that some of that is not directly the administration but Congress. And the problem of Congress in our relations is a very real one to us.

Secretary Dulles: Well, we have problems with the Congress; even the State Department occasionally has problems with the Congress.

Mr. McInnis: You sometimes have to negotiate with the Senate as a foreign power almost?

Secretary Dulles: We have problems with the Congress. But I do believe this, that by and large, if you look at what Congress has done over recent years—the past 30 or 40 years—I think you will

feel that Congress has followed in the main pretty enlightened policies. There has never been any country in the history of the world which has done as much over these recent years, I think, as the United States has done and has done it in all cases with the basic approval of the Congress. And, while we have our differences, I am not one to say that Congress has not also in the main been pretty enlightened. We struggle along, but we generally come out with a reasonable result.

Mr. McInnis: Well, we have been trying to find some way that will give us an assurance, for example, against a repetition of the Norman case,³ and we don't seem to be able to get anything very definite there, apparently again because of this separation of powers.

Secretary Dulles: That is quite true. The Executive cannot give a promise which is binding on the Congress. Now, under your parliamentary system, where your Executive is identified with and a part of a parliamentary majority, you can do these things much more easily; but, as you point out, the separation of powers in our Government makes those things more difficult for us.

Mr. McInnis: Isn't it, however, from our point of view, rather an obligation on the part of the administration to use its influence where it has no actual constitutional authority? Influence must certainly be substituted.

Secretary Dulles: I think that the facts are that we do do that. Now, sometimes influence is more effective if it isn't published. But I think you can be confident that our influence with the Congress is exerted in ways of which you would approve.

Mr. McInnis: Is there anything, sir, that we should be doing on our part to keep good relations going? We try to be self-critical on this.

Secretary Dulles: Well, let me say this, Mr. Me-Innis. I would not myself have any complaint against Canada that I want to voice. We have our little differences, and we talk them over quietly and privately. But, by and large, the policies of Canada and the United States, I believe, go along in parallel lines side by side, and in all the big issues we are together.

Mr. McInnis: Thank you very much, sir. This has been most kind.

United States and India Sign \$75 Million Loan Agreements

Press release 346 dated June 23

Negotiations implementing the United States decision, which was announced at Washington on March 4,¹ to extend loans to India totaling \$225 million for use in connection with that country's economic development program were completed on June 23 with the signing at Washington and New Delhi of U.S. Development Loan Fund agreements aggregating \$75 million. An earlier agreement, signed at Washington June 12, between the United States and India had previously made available the initial loan of \$150 million of this program through the Export-Import Bank of Washington.

At Washington on June 23 Dempster McIntosh, manager of the Development Loan Fund, for the United States, and H. Dayal, Chargé d'Affaires of the Indian Embassy, for his Government, signed a \$40-million DLF loan agreement to help finance railway improvement in India. Mr. McIntosh, in signing the agreements, indicated that this loan will permit the procurement of steel to produce approximately 20,000 freight cars, 300 steam locomotives, 2,500 underframes, and other facilities. The rolling stock will be manufactured principally in privately owned plants.

At the same time at New Delhi, U.S. Ambassador Ellsworth Bunker and India's Finance Minister, Morarji Desai, signed a loan agreement making available an additional \$35 million in DLF funds to help India finance development projects in road transportation and the cement and jute industries, all of which will be in the private sector. Of this amount, \$25 million will be used to finance the acquisition of approximately 16,000 trucks, jeeps, and buses, or components for their manufacture; \$5 million for equipment to expand India's cement industry; and \$5 million for equipment to modernize and expand India's jute industry.

 $^{^3\,{\}rm For}$ background, see ibid., Apr. 29, 1957, p. 694, and Sept. 2, 1957, p. 384.

¹ Bulletin of Mar. 24, 1958, p. 464.

Funds Appropriated for Building Panama Canal Bridge

Press release 352 dated June 25

Fulfillment of another important U.S. treaty commitment to the Republic of Panama has been assured with enactment of legislation appropriating an additional \$19,250,000 to build a high-level bridge over the Pacific end of the Panama Canal. Under the provisions of the treaty of 1955 with Panama, the Government of the United States agreed to seek the legislative authorization and necessary appropriations for construction of a bridge at Balboa, Canal Zone.

Preliminary work on the bridge began last year with the appropriation of \$750,000, after its construction was authorized by the act of July 23, 1956. The new moneys will enable actual construction to proceed on the bridge, which will join eastern and western Panama and eventually form an important link in the Pan American Highway system.

The \$19,250,000 item was included in the appropriation bill for the Department of Commerce and related agencies for the fiscal year ending June 30, 1959, which the President signed on June 25.

U.S. Lends \$2,300,000 to Ecuador for Inter-American Conference

Press release 360 dated June 27

The U.S. Government announced on June 27 a loan of \$2,300,000 to Ecuador to help finance dollar costs of construction materials and equipment for an assembly hall and other facilities for the Eleventh Inter-American Conference to be held at Quito, Ecuador, late in 1959 or early in 1960. After the conference the hall and facilities will be used by the Ecuadoran Government. At a ceremony held in the Department of State, Roy R. Rubottom, Jr., Assistant Secretary for Inter-American Affairs, and Dr. José R. Chiriboga, Ambassador of Ecuador, exchanged diplomatic notes constituting a loan agreement between the two Governments. The loan is being made by the International Cooperation Administration.

The Inter-American Conference is the supreme organ of the Organization of American States and is usually attended by the foreign ministers of the 21 American Republics. The Tenth Inter-American Conference was held at Caracas, Venezuela, in 1954. At that meeting Ecuador suggested that it be designated as host for the next Inter-American Conference, and this suggestion was accepted by the other American states.

United States To Send Wheat to Lebanon

Press release 362 dated June 27

The Department of State announced on June 27 that the United States will send 65,000 tons of wheat to Lebanon to relieve an emergency food situation there due to crop losses from drought.

An agreement under which the U.S. wheat will be made available was signed on June 27 by Nadim Dimechkić, the Lebanese Ambassador. The grain, which will come from surplus stocks of the U.S. Commodity Credit Corporation, will be supplied to Lebanon under the emergency provisions of title II, Public Law 480, the Agricultural Trade Development and Assistance Act.

Arrangements are now being made by the International Cooperation Administration to ship the grain to Lebanon in the soonest time possible.

United States and Ceylon Sign Development Loan Fund Agreement

The Department of State announced on June 24 (press release 348) that the Development Loan Fund on that date made available \$1.6 million to Ceylon to help finance irrigation and land-development projects and to repair damages caused by recent floods.

A formal agreement lending the funds to Ceylon was signed for that Government by R. S. S. Gunewardene, Ambassador of Ceylon, and for the United States by Dempster McIntosh, manager of the Development Loan Fund. Authorization for this loan had been announced on May 20, 1958. The loan is repayable over a period of 20 years.

¹ For text of the Treaty of Mutual Understanding and Cooperation, see Bulletin of Feb. 7, 1955, p. 238.

¹ Bulletin of June 23, 1958, p. 1055.

U.S. Loan To Help Greece Build Fertilizer Plant

Press release 344 dated June 23

The Development Loan Fund announced on June 23 that it has agreed to lend \$12 million to assist Greece in establishing a nitrogenous fertilizer plant which has been one of the highest priority projects proposed under the new 5-year development program of the Greek Government.

The plant, for which Greece requested U.S. assistance, will utilize the lignite deposits being mined at Ptolemais in northern Greece in one of the most underdeveloped areas of the country. It is expected to provide 1,000 jobs directly in the factory, save on imports up to \$15 million annually in foreign exchange, and provide low-cost fertilizer to the Greek farmer. The plant will be operated by power generated at a new thermal station being built by the Public Service Corporation of Greece to draw on the indigenous lignite deposits as a source of power.

Estimated annual production of 75,000 tons of fixed nitrogen, or the equivalent of 300,000 tons of finished nitrogen-based fertilizers, is expected to meet Greece's immediate demands for this type of fertilizer. Production will include 25,000 tons each of ammonium sulphate and ammonium nitrate-cal and 5,000 tons of liquid ammonia. The total capacity will provide almost all of Greece's estimated requirements of 77,000 tons of fixed nitrogen by 1960. At present virtually all of Greece's fixed nitrogen has to be imported.

The DLF funds will assist in the financing of the foreign-exchange costs necessary to construct the plant. The loan, the first for Greece under the new DLF program, would be repayable in Greek currency over a period of 12 years. Negotiations are now proceeding to conclude arrangements for formal signing of a loan agreement.

President Suspends Consideration of Lead and Zinc Tariffs

White House press release dated June 19

The President announced on June 19 that he was suspending his consideration at this time of the recommendations of the U.S. Tariff Com-

mission in the escape-clause case involving lead and zinc.

A final decision would be appropriate, the President said, after the Congress completed its consideration of the minerals stabilization plan presented with his approval by the Secretary of the Interior. Early action by the Congress on this plan, which offers a more effective approach to the problems of the lead and zinc industries, would help assure a healthy and vigorous minerals industry in the United States.

The President set forth his conclusion in identical letters to the chairmen of the House Ways and Means and Senate Finance Committees.

Letter to Chairmen of Congressional Committees 1

June 19, 1958

Dear Mr. Charman: Under Section 7 of the Trade Agreements Extension Act of 1951, as amended, the United States Tariff Commission reported to me on April 24, 1958, its finding that the domestic producers of lead and zinc were experiencing serious injury. The Commission was evenly divided on its recommendation for remedial action. Three of the Commissioners recommended maximum increases in tariffs with quantitative limitations. The other three Commissioners recommended an increase in tariffs to the 1930 rates without quantitative limitations of any kind.

I am suspending my consideration of these recommendations at this time. A final decision will be appropriate after the Congress has completed its consideration during this session of the proposed Minerals Stabilization Plan which was submitted by the Secretary of the Interior with my approval. This Plan offers a more effective approach to the problems of the domestic lead and zine industries, and in view of their urgent needs, it is hoped that the Congress will act expeditiously on this Plan to help assure a healthy and vigorous minerals industry in the United States.

Sincerely,

DWIGHT D. EISENHOWER

¹Addressed to Harry Flood Byrd, chairman of the Senate Committee on Finance, and Wilbur D. Mills, chairman of the House Ways and Means Committee.

President Asks for Congressional Approval of Agreement With European Atomic Energy Community

DEPARTMENT ANNOUNCEMENT

The U.S. Atomic Energy Commission and the Department of State announced on June 23 (press release 345) that President Eisenhower had on that day transmitted to Congress and asked early approval of an international agreement between the United States and the European Atomic Energy Community (EURATOM).¹ Under the United States Atomic Energy Act, congressional approval of this instrument is necessary prior to entering into a U.S.-EURATOM agreement for cooperation, which would embrace a one-million-kilowatt joint program of nuclear power development.

This program involves the construction by 1963 in the six EURATOM countries—Belgium, France, the Federal Republic of Germany, Italy, Luxembourg, and the Netherlands—of approximately six large-scale nuclear power plants based on United States—type reactors. This would provide sufficient electrical generating capacity to meet the power requirements of more than 5 million people in the EURATOM area.

In submitting the international agreement the President sent a special message to Congress describing the importance of this undertaking to the United States and EURATOM. The proposed cooperative program would open the way to using nuclear power in Western Europe to help meet their rising demands for energy.

As enrrent costs of electric power in Europe are higher than in the United States, nuclear power will be economical earlier there than in the

United States. Thus the experience gained through the construction and operation of nuclear plants based on reactors of United States design will be an important factor in accelerating the development of nuclear power in the United States. Maximum support by industry in this country and in the EURATOM nations is considered essential to the success of the venture.

In addition, this program should contribute substantially to the success of EURATOM with resultant increase in the strength and solidarity among the free nations of the world. Cooperation with Europe to the end of continuing economic growth has long been a major element of United States foreign policy. The joint nuclear power program with EURATOM is expected to provide new horizons for further economic and social advances in an integrated Europe. The United States welcomed the formation of the European Atomic Energy Community as an important step toward this goal.

With the approval of the President, the United States began in January 1958 to explore the possibility of reaching agreement with EURATOM on a program under which existing utilities in the EURATOM nations would build and operate nuclear power plants using equipment produced in the United States and the EURATOM area. The program worked out involves a joint research and development effort, availability of enriched reactor fuel from the United States, mutually satisfactory safeguards and controls so that both EURATOM and the United States may be assured of the peaceful purposes of the joint program, and long-term credits to EURATOM.

The establishment and initiation of the cooperative program are subject to several statutory steps of which the international agreement is the first. Following approval of this agreement, an

¹ For text of a joint statement released at Washington and Luxembourg on Apr. 3, 1958, at the conclusion of meetings of a joint U.S.-EURATOM working party, see Bulletin of Apr. 28, 1958, p. 709.

agreement for cooperation with EURATOM incorporating the details of the plan will be placed formally before the Joint Committee on Atomic Energy. Congressional approval of authorization and appropriation of funds and certain other enabling legislation will also be required for the United States to carry out its share of the joint program.

The competent bodies of the EURATOM Community (the EURATOM Commission and the EURATOM Council of Ministers) already have taken their necessary statutory actions.

The President in his message to the Congress stressed the urgency in launching this cooperative effort in the peaceful uses of the atom as soon as possible. In the face of challenges to the West, this program offers heartening evidence of the fundamental unity of purpose for the common good which exists among the free nations of the world today and illustrates our basic desire to concentrate on harnessing the atom for peaceful purposes.

Attached is an outline of the proposed program.

OUTLINE OF PROPOSED UNITED STATES—EURATOM PROGRAM

A. Objectives

1. The aim of the joint program will be to bring into operation in the Community by 1963 about one million electric kilowatts of installed nuclear capacity, in reactors of proven types developed in the United States, and to initiate immediately a joint research and development program centered on those reactors. The program would be conducted so as to obtain maximum support of the industries of the Community and of the United States. Their active participation is indispensable to the success of the program.

B. Major Features

- 1. The total capital cost, exclusive of fuel, is estimated not to exceed \$350 million. These funds will be provided for by the participating utilities and other European sources of capital, such financing to be arranged with the appropriate assistance of EURATOM. Up to \$135 million would be provided by the United States Government to EURATOM in the form of a tong-term line of credit from the Export-Import Bank. These funds will be re-lent by EURATOM for the construction of nuclear power plants under the program.
- 2. The nuclear power plants under the program will be built, owned, and operated by utilities in the member states. Att risks due to uncertainties in construction, maintenance, and operating costs and load factors will be borne directly by these utilities. In the course of the negotiation it was determined that the economic risks associated today with the reactor fuel cycle must be minimized if participation by the European utility industry

is to be reasonably assured. To this end the United States, for a 10-year period of operation, will guarantee ceiling costs for the fabrication of the fuel elements required, as well as a fixed life for these elements.

- 3. A proposed research and development program established for a 10-year period will be centered on the improvement in the performance of the reactors involved in the program and the lowering of fuel cycle costs. During the first 5 years the financial contribution of the Community and the United States will amount to about \$50 million each, with the sum required for the second 5-year period to be determined at a later date.
- 4. Under the arrangements proposed the United States would sell to the Community a net quantity of 30,000 kilograms of contained U-235 in uranium to cover the fueling and other requirements of the program for such material over a 20-year operating period. The initial operating inventory, which amounts to approximately 9,000 kilograms of contained U-235, would be sold to the Community on a deferred payment basis. The balance of about 20,000 kilograms, which represents estimated hurnup and process losses over the 20-year operating period, and 1,000 kilograms to provide for research and test reactors associated with the program, would be paid for on a current basis.
- 5. The U.S. Atomic Energy Commission will process in its facilities, at established U.S. domestic prices, spent fuel elements from the reactors to be included in the program.
- 6. With respect to any special nuclear material produced in reactors fueled with materials obtained from the United States under this joint program, which is in excess of the need of the Community for such material for the peaceful uses of atomic energy, the International Atomic Energy Agency would have the right of first option to purchase such material at the announced fuel value price in effect in the United States at the time of purchase. In the event this option is not exercised by the Agency, the United States would be prepared during the first 10 years of reactor operation to purchase such material at the U.S.-announced fuel value price in effect at the time of purchase.
- 7. Technological and economic data developed under the program would be made available to the industries within the Community and the United States under provisions designed to assure the widespread dissemination of the information developed in the course of the program.
- 8. Under the program the Community will assume responsibility for the establishment of a safeguards system which will be formulated in accordance with agreed-upon principles. This system will be designed to assure that the materials received from the United States, as well as special nuclear material produced therefrom, will be used for peaceful purposes only. The proposed agreement for cooperation with the Community provides for frequent consultation between parties on the operation of the system and that the Community will establish a mutually satisfactory safeguards system based on these principles. By exchange of letters both parties have agreed that the terms of the agreement include permission for verification, by mutually approved scientific methods, of the effectiveness of the safeguards and control systems applied

July 14, 1958

to nuclear materials received from the other party or derived therefrom in connection with the joint program. Continuation of the cooperative program will be contingent upon the Community's establishing and maintaining a mutually satisfactory safeguards system. The Community also has agreed to consult with the International Atomic Energy Agency to assure the development of a safeguards system reasonably compatible with that of the Agency. The agreement for cooperation, which has been negotiated, will contain all of the guaranties required by section 123 of the Atomic Energy Act of 1954, as amended. In addition, in the event of the establishment of an international safeguards and control system by the International Atomic Energy Agency, the United States and EURATOM will consult regarding assumption by that Agency of the safeguards and control over fissionable material utilized and produced in implementation of the joint program.

MESSAGE FROM THE PRESIDENT TO THE CONGRESS?

Letter of Transmittal

To the Congress of the United States:

I am transmitting today for approval by the Congress an international agreement between the Government of the United States and the European Atomic Energy Community which will be a first step toward mutually beneficial cooperation in the peaceful applications of atomic energy between this new European Community and the United States. The specific program which I am asking the Congress to consider and approve on an urgent basis is a joint undertaking by the United States and Euratom to foster the construction in Europe by 1963 of approximately 6 major nuclear power reactors which would produce about 1 million kilowatts of electricity.

This international agreement is being submitted pursuant to the provisions of sections 11 (L) and 124 of the Atomic Energy Act of 1954, as amended. The cooperation to be undertaken after approval of the international agreement will be pursuant to the terms and conditions of an agreement for cooperation entered into in accordance with section 123 of that act.

The elements which combine to make such a joint program possible are the same that led to the first great breakthrough in the development of atomic energy 15 years ago: the intimate association of European and American scientists and

clear power program draws heavily on the history of atomic energy development there are important new elements which reflect the changing world scene.

The first is the changing face of Europe symbolized by the European Atomic Energy Commu-

bolized by the European Atomic Energy Community, which now takes its place beside the Coal and Steel Community and the European Economic Community (Common Market) in a further major step toward a united Europe. The inspiration of European statesmen which has now come to fruition in Euratom is the simple but profoundly important idea that through concentration of the scientific and industrial potentialities of the six countries it will be possible to develop a single major atomic energy complex, larger than the sum of the parts, and designed to exploit the peaceful potential of atomic energy. One motivation which has therefore led to the creation of this new Community is the growing sense of urgency on the part of Europeans that their destiny requires unity and that the road toward this unity is to be found in the development of major common programs such as Euratom makes possible. Another important motivation is the present and growing requirement of Europe for a new source of energy in the face of rapidly increasing requirements and the limited possibilities of increasing the indigenous supply of conventional fuels. The Europeans see atomic energy not merely as an alternative source of energy but as something which they must develop quickly if they are to continue their economic growth and exercise their rightful influence in world affairs. The success of this undertaking, therefore, is of vital importance to the United States, for the 160 million people on the Continent of Europe are crucial to North Atlantic strength.

close association between European and Ameri-

can engineers and industries. While the joint nu-

It is therefore gratifying that the reactor research, development, testing, and construction program in the United States has progressed to the point that United States reactors of proven types are available and will be selected for commercial exploitation in the joint program of large-scale nuclear reactors.

The abundance of conventional fuel in the United States and hence our lower cost of electricity as contrasted with higher energy costs in

² H. Doc. 411, 85th Cong., 2d sess.

Europe means that it is possible for nuclear power reactors to produce economic electrical energy in Enrope before it will be possible to do so in most parts of the United States.

The basic arrangements which have been worked out with Euratom are designed to take advantage of many favorable factors and circumstances. They promise to result in a program that will initially be of great benefit to Euratom and the United States, and thereafter to nations everywhere that choose to profit from Euratom's experience. American knowledge and industrial capacity will be joined with the scientific and industrial talents of Europe in an accelerated nuclear power program to meet Europe's presently urgent need for a new source of energy.

The plants to be built will be paid for and operated by the existing public and private utilities in the six countries; components will be manufactured by American and European industry. Through this association the basis will be laid for future mutually beneficial commercial collaboration in the atomic energy business. The major portion of the fund for the construction of the plants will come from European sources of capital. The United States, through the Export-Import Bank, is prepared to supplement these funds by making available to the new Community a long-term line of credit.

A central purpose of the proposed joint program is for Euratom and the United States Government to create an institutional and economic environment which will encourage the European utilities to embark quickly upon a large-scale nuclear power program. As this program goes forward, it will make possible significant progress in the development of atomic power elsewhere in the world.

The expectation that nuclear power will be economic rests on the inherent promise of achieving substantially lowered fuel costs which will more than compensate for the higher capital costs of nuclear plants. The principal immediate problem is to limit during this developmental phase the economic uncertainties connected with the burning of nuclear fuel in these reactors. To assist in meeting this problem the United States will provide certain special and limited guaranties and incentives to permit American fuel fabricators and the European utilities and industries

to enter into firm contractual arrangements with greater certainty as to the actual costs of nuclear energy from the reactors than is now possible.

Of major importance, the new European Community and the United States will establish a jointly financed research and development program, the purpose of which will be to improve the performance of these reactors and thus to further the economic feasibility of nuclear power. Information developed under the joint program will be made available to American and European industry for the general advancement of power reactor technology.

In addition to the international agreement submitted herewith, the necessary requests for congressional action required to carry out the program will be submitted shortly.

I believe that the initiation of this program of cooperation with Euratom represents a major step in the application of nuclear technology for the benefit of mankind.

The United States and Euratom have reaffirmed their dedication to the objectives of the International Atomic Energy Agency and intend that the results of this program will benefit the Agency and the nations participating in it. Consideration is now being given to ways in which the United States can work with the Agency in carrying forward its functions. A proposed agreement for cooperation with the International Atomic Energy Agency is now being negotiated and is under review by the Agency. This agreement provides principally for the transfer of the special nuclear material already offered to the Agency by the United States for certain services, such as chemical processing, and for the broad exchange of unclassified information in furtherance of the Agency's program.

In recognition of the importance of the joint United States-Euratom program, I must stress its urgency. It was only on the 1st of January of this year that the new Community came into being, determined to fulfill its obligation to create the conditions which will permit the earliest development of nuclear power on a major scale. The Community is determined, as are we, that the joint program should be initiated this year. I am sure that the Congress, having in mind the political and economic advantages which will accrue to us and our European friends from such a

July 14, 1958 73.

joint endeavor, will wish to consider quickly and favorably the proposed program.

DWIGHT D. EISENHOWER

THE WHITE HOUSE, June 23, 1958.

Text of Agreement

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE EUROPEAN ATOMIC ENERGY COMMUNITY (EURATOM)

Whereas the European Atomic Energy Community (Euratom) has been established by the Kingdom of Belgium, the Federal Republic of Germany, the French Republic, the Italian Republic, the Grand Duchy of Luxembourg, and the Kingdom of the Netherlands, in the Treaty of Rome signed on March 25, 1957, with the aim of contributing to the raising of the standard of living in Member States and to the development of commercial exchanges with other countries by the creation of conditions necessary for the speedy establishment and growth of nuclear industries;

Whereas the Government of the United States of America has instituted a program of international cooperation to make available to cooperating nations the benefits of peaceful applications of atomic energy as widely as expanding technology and considerations of the common defense and security will permit;

Whereas the Government of the United States of America and the European Atomic Energy Community (Euratom) have expressed their mutual desire for close cooperation in the peaceful applications of atomic energy, and the European Atomic Energy Community (Euratom) intends to foster an extensive program which promises to redound to their common benefit;

Whereas an arrangement providing for cooperation in the peaceful applications of atomic energy would initiate a fruitful exchange of experience and technical development, open a new era for mutually beneficial action on both the governmental and industrial level, and reinforce solidarity within Europe and across the Atlantie;

The Parties agree as follows:

Article I

The Parties will cooperate in programs for the advancement of the peaceful applications of atomic energy. Such cooperation will be undertaken from time to time pursuant to such terms and conditions as may be agreed and shall be subject to all provisions of law respectively applicable to the Parties. Specifically it is understood that under existing law the cooperation extended by the Government of the United States of America will be undertaken pursuant to an Agreement for Cooperation entered into in accordance with Section 123 of the Atomic Energy Act of 1954, as amended.

Article II

As used in this Agreement, "Parties" means the Government of the United States of America and the European Atomic Energy Community (Euratom), acting through its Commission. "Party" means one of the Partles.

Article III

This Agreement shall enter into force on the day on which each Party shall have received from the other Party written notification that it has complied with all statutory and constitutional requirements for the entry into force of such Agreement.

IN WITNESS WHEREOF, the undersigned representatives duly authorized thereto have signed this Agreement.

Done at Brussels on May 29, 1958, and at Washington on June 18, 1958, in duplicate, in the English, French, German, Italian, and Netherlands languages, each language being equally authentic.

L. ARMAND ENRICO MEDI JOHN FOSTER DULLES LEWIS L. STRAUSS

HEINZ L. KREKELER EMMANUEL SASSEN PAUL DE GROOTE

For the Government of the United States of America: John Foster Dulles Lewis L. Strauss

For the European Atomic Energy Community (EURATOM):

L. ARMAND
ENRICO MEDI
HEINZ L. KREKELER
PAUL DE GROOTE
EMMANUEL SASSEN

I CEBTIFY THAT the foregoing is a true copy of the Agreement Between the Government of the United States of America and the European Atomic Energy Community (Euratom), signed at Brussels on May 29, 1958, and at Washington on June 18, 1958.

In testimony whereof, I, John Foster Dulles, Secretary of State of the United States of America, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Acting Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this nineteenth day of June 1958.

[SEAL]

JOHN FOSTER DULLES, Secretary of State.

By Pattie H. Field, Acting Authentication Officer, Department of State.

MEMORANDUM OF UNDERSTANDING 3

Memorandum of Understanding Regarding the Joint Nuclear Power Program Proposed Between the European Atomic Energy Community (EURATOM) and the United States of America

The steps taken by the Member States of the European Atomic Energy Community (EURATOM) towards a united Europe and the consistent support of the United States for their efforts are an acknowledgment that, in a world being rapidly transformed by technical and political change, the problems our countries face call for increasing solidarity.

The Member States of EURATOM urgently need nuclear power to be in a position to meet future energy requirements and to assure continued economic progress.

Both EURATOM and the United States must carry through the nuclear revolution in industry with maximum speed and efficiency in order to remain in the forefront of progress and to open new horizons for further economic and social advance.

In order to achieve these objectives a large-scale joint development program of power reactors will be launched.

EURATOM will benefit by the experience and capacity which the United States can provide to make a quick start on such a program. This will in turn provide the United States with the opportunity to accelerate its own industrial development of nuclear power for peaceful purposes by associating itself with the program. Conventional energy is generally more costly in Europe than in the United States, so that nuclear power approaches the competitive range of energy costs in Europe, a stage which will be reached only later in the United States.

For these reasons, the Commission of the European Atomic Energy Community and the Government of the United States of America have agreed to this Memorandum of Understanding which outlines a joint United States-EURATOM development program of large-scale nuclear power reactors to be constructed in the European Atomic Energy Community in the next few years.

The aim of the joint program will be to bring into operation in the Community by 1963 about 1,000,000 electrical kilowatts of installed nuclear capacity in reactors of proven types developed in the United States, thus increasing substantially the total capacity envisaged by existing programs in the Member States. The program is consistent with, and in fact a point of departure towards, the program outlined in "A Target for EURATOM".

It is understood that the establishment and Initiation of the joint program is subject to appropriate statutory steps, including authorization by the competent bodies of the Community and of the Government of the United States.

The joint program will be conducted so as to obtain the maximum support of the industries of the Community and the United States; indeed, their active participation is indispensable to the success of the program.

It is the hope and expectation of the Commission and the Government of the United States that the proposed program will lead to further cooperation between the Community and the United States in other fields related to the peaceful uses of atomic energy.

They also see in the joint program a new type of cooperation among allies on a fully equal footing based on organic links forged by common effort, and holding out hopes of new steps for the further development of the Atlantic Community.

The Commission of the European Atomic Energy Community and the Government of the United States reaffirm their dedication to the objectives of the International Atomic Energy Agency and intend that the results of their program will benefit the Agency and the nations participating in it.

1. OBJECTIVES

The objectives of the joint program will be:

A. To bring into operation by 1963, within the European Atomic Energy Community, large-scale power plants using nuclear reactors of proven types, on which research and development has been carried to an advanced stage in the United States, having a total installed capacity of approximately one million kilowatts of electricity and under conditions which would approach the competitive range of conventional energy costs in Europe.

B. To initiate immediately a joint research and development program centered on these types of reactors.

2. SELECTION AND APPROVAL UNDER THE PROGRAM

Under the joint program, reactor projects may be proposed, constructed and operated by private or governmental organizations engaged in the power industry or in the nuclear energy field.

The Commission and the Government of the United States will establish jointly, technical standards and criteria (including those relating to radiation protection and reactor safety) and the procedures for selection and approval of reactor projects under this program.

In the evaluation and selection of such reactor projects, the technical and economic features will be considered and approved jointly by the Commission and the United States Government.

Other features of such reactor projects will be considered and approved by the Commission.

Reactors now being planned or constructed in Member States of the Community will be eligible for, and will receive, early consideration under the criteria established pursuant to this section.

July 14, 1958 75

³This document, developed by the joint United States-EURATOM working party and negotiated as a first step in reaching an understanding with respect to the proposed joint United States-EURATOM program, served as a basis for negotiations leading to the agreement for cooperation.

^{&#}x27;Report submitted by Mr. Louis Armand, Mr. Franz Etzel and Mr. Francesco Giordani at the request of the Governments of Belgium, France, the Federal Republic of Germany, Italy, Luxembourg and the Netherlands. [Footnote in original.]

It is intended to take and announce decisions on the above matters at the earliest practicable date.

3. CAPITAL COSTS

The total capital cost ⁶ of the nuclear power plants with an installed capacity of approximately one million kilowatts of electricity to be constructed under the program is presently estimated not to exceed the equivalent of \$350,000,000 to be financed as follows:

A. Approximately \$250,000,000 to be provided by the participating utilities and other European sources of capital, such financing to be arranged with the appropriate assistance of EURATOM; and

B. Up to \$135,000,000 to be provided by the United States Government to EURATOM in the form of a long-term line of credit on terms and conditions to be agreed, such funds to be re-lent by EURATOM for the construction of facilities under this program.

4. FUEL CYCLES

The Commission and the Government of the United States will enter into special arrangements with respect to the fuel cycle for reactors to be constructed and operated under the proposed program according to the principles set forth in Attachment A to this memorandum.

5. CHEMICAL PROCESSING

The United States Atomic Energy Commission is prepared to process in its facilities, at established U.S. domestic prices, spent fuel elements from the reactors to be included in the present program. The United States Atomic Energy Commission agrees to assist in the development of chemical processing techniques in Europe by providing technical advice and assistance both to "Eurochemic" (which is to design and build a pilot plant at Mol, Belgium), and to the Community in the design and construction of future plants which the Community may decide to design and construct, or to sponsor.

6. RESEARCH AND DEVELOPMENT

A. The Commission and the Government of the United States intend to initiate promptly a joint program of research and development to be conducted both in the United States and in Europe on the types of reactors to be constructed under the proposed program.

This Research and Development program will be aimed primarily at the improvement in performance of these reactors, and at lowering fuel cycle costs.

It will also deal with plutonium recycling and other problems relevant to these reactors, thus contributing to the over-all advance of the nuclear power art.

The research and development program will be established for a ten (10) year period. During the first five (5) years the financial contribution of the Community and the United States will amount to about \$50,000,000 each. Prior to the completion of the first five-year period.

⁵Exclusive of the fuel inventory. [Footnote in original.]

riod, the Parties will determine the financial requirements for the remaining five-year period and will undertake to procure funds necessary to carry out the program. Funds for the second five-year period may be in the same order of magnitude.

The administration of this program will be conducted under mutually agreed arrangements.

B. In addition, both the Commission and the United States Atomic Energy Commission will push forward and extend their own research and development programs, either direct or sponsored, on all peaceful aspects of nuclear science and industry, in particular in such fields as advanced civilian reactor design, fuel technology, reactor operation, chemical processing, radioisotopes utilization, waste disposal, and public health.

Information resulting from such work outside of the joint program will be exchanged by the respective Commissions fully and promptly.

7. SPECIAL NUCLEAR AND OTHER MATERIALS

The Government of the United States will make available to the Community, as needed, enriched uranium for the nuclear power reactors to be included within the proposed program, in sufficient quantity to meet inventory and operating requirements for a twenty (20) year operating period.

The Government of the United States also will provide the Community special nuclear materials as may be agreed for research and development and the operation of research and test reactors associated with the proposed power program, in sufficient quantity to meet inventory and operating requirement for a twenty (20) year operating period. In addition, source material, special reactor material and other materials needed for carrying out the program will be provided under terms and conditions to be agreed upon.

8. AVAILABILITY OF INFORMATION

- A. Nonpatentable information developed in joint program
- 1) The program contemplated by this Memorandum of Understanding, including projects selected for inclusion therein, should serve to benefit other projects and programs (both private and governmental) within the Community and the United States. Accordingly, under mutually agreed arrangements, all information developed in connection with the joint program of research and development, and all information developed in connection with the selected projects, concerning design, plans and specifications, construction costs, operations and economics, will be delivered currently to the Parties as developed and may be used, disseminated, or published by each Party for any and all purposes as it sees fit without further obligation or payment. There will be no discrimination in the dissemination or use of the information for the reason that the proposed recipient or user is a national of the United States or of any Member State of EURATOM.
- 2) Both Commissions shall have access to the records of the participating contractors pertaining to their participation in research and development projects under the joint research and development program, or pertaining

to the performance of fuel elements that are the subject of United States guarantees.

3) The Parties will further expedite prompt exchange of information through symposia, exchange of personnel, setting up of combined teams, and other methods as may be mutually agreed.

B. Patentable Information

As to any invention made or conceived in the course of or under the joint program of research and development:

- 1. The United States shalt without further obligation or payment be entitled to assignment of the title and rights in and to the invention and the patent in the United States subject to a non-exclusive, irrevocable, and royalty-free license, with the right to grant sublicenses, to the Community for all purposes.
- 2. The Community shall without further obligation or payment be entitled to assignment of the title and rights in and to the invention and the patents in the Community subject to a non-exclusive, irrevocable, and royalty-free license, with the right to graut sublicenses, to the United States for all purposes.
- 3. With respect to title and rights in and to the invention and patents in third countries:
- a. The Community, if the invention is made or conceived within the Community or the United States, if the Invention is made or conceived within the United States, shall be entitled to assignment of such title and rights, subject to a non-exclusive, irrevocable, royalty-free license, with the right to grant sublicenses, to the other for all purposes.
- b. If the invention is made or conceived elsewhere, the Party contracting for the work shall be entitled to assignment of such title and rights, subject to a non-exclusive, irrevocable, royalty-free license, with the right to grant sublicenses, to the other for all purposes.
- C. As to inventions and patents under paragraph B of this article neither Party shall discriminate in the granting of any license or sublicense for the reason that the proposed licensee or sublicensee is a national of the United States or any Member State.
- D. As to patents used in the work of the joint program, other than those under paragraph B, which the United States owns or as to which it has the right to grant licenses or sublicenses, the United States will agree to grant licenses or sublicenses, covering use either in or outside the joint program, on a non-discriminatory hasis to a Member State and to industry of a Member State, if the Member State has agreed to grant licenses or sublicenses as to patents used in the work of the joint program which it owns or as to which it has the right to grant licenses or sublicenses or sublicenses, on a non-discriminatory basis to the United States and to industry of the United States, covering use either in or outside the joint program.
- E. The respective contractual arrangements of the Parties with third parties shall contain provisions that will enable each Party to effectuate the foregoing provisions of B and C as to patentable information.
- F. It is recognized that detailed procedures shall be jointly established to effectuate the foregoing provisions and that all situations not covered shall be settled by

mutual agreement governed by the basic principle of equivalent benefits to both Parties.

9. TRAINING

The Commission and the United States Atomic Energy Commission will work closely together to develop training programs to satisfy the requirements of the programs described in this memorandum. The United States Atomic Energy Commission will assist the Commission in satisfying these needs by making its facilities and experience avaitable.

10. COOPERATIVE ACTIVITIES IN INDUSTRY

It is expected that the program to be initiated under the terms of this Memorandum of Understanding will increase the cooperation already existing between individuals and organizations, both privately and publicly owned, engaged in nuclear industry, in the United States and in the countries of the Community.

The Commission and the Government of the United States will use their best efforts to foster such cooperation.

1. SAFEGUARDS AND CONTROLS

Both EURATOM and the United States recognize the extreme importance of assuring that all activities under the joint program shall be directed solely toward the peaceful uses of atomic energy. In accord with this objective:

- A. EURATOM guarantees that:
- 1. No material, including equipment and devices, transferred pursuant to the Agreement for Cooperation between the United States and the Community to the Community or to authorized persons within the Community will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose;
- 2. No such material will be transferred to unauthorized persons or beyond the control of the Community, except as the United States might agree to such a transfer and then only if the transfer of the material is within the scope of an Agreement for Cooperation between the Government of the United States of America and another nation or group of nations;
- 3. No source or special nuclear material utilized in, recovered from, or produced as a result of the use of materials, equipment, or devices transferred pursuant to the Agreement for Cooperation between the United States and the Community to the Community or authorized persons within the Community will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose;
- 4. The Community will establish and maintain a mutually satisfactory system of safeguards and controls, to be applied to materials, equipment, and devices subject to the guarantees set forth in paragraphs 1 through 3 above.
- B. EURATOM undertakes the responsibility for establishing and implementing a safeguards and control system designed to give maximum assurance that any material, equipment, or devices made available pursuant to the

Agreement between the United States and EURATOM, and any source or special nuclear material derived from the use of such material, equipment or devices, shall be utilized solely for peaceful purposes. In establishing and implementing its safeguards and control system the Community is prepared to consult with and exchange experience with the International Atomic Energy Agency with the objective of establishing a system reasonably compatible with that of the International Atomic Energy Agency.

The United States and EURATOM will formulate and agree upon the principles which will govern the establishment and operation by EURATOM of a mutually satisfactory safeguards and control system under the Agreement for Cooperation between the United States and EURATOM. These principles are set forth in Attachment "B" and will be included in the text of the Agreement.

C. As has been requested by EURATOM, the United States will provide assistance in establishing the EURATOM safeguards and control system, and will provide continuing assistance in the operation of the system.

D. There will be frequent consultations and exchanges of visits between the Parties to give assurance to both Parties that the EURATOM safeguards and control system effectively meets the responsibility and principles stated in B above and that the standards of the materials accountability systems of the United States and EURATOM are kept reasonably comparable.

E. In recognition of the importance of the International Atomic Energy Agency, the United States of America and the European Atomic Energy Community will consult with each other from time to time to determine whether there are any areas of responsibility with regard to safeguards and control and matters relating to health and safety in which the Agency might be asked to assist.

F. A continuation of the cooperative program between the United States and EURATOM will be contingent upon EURATOM establishing and maintaining a mutually satisfactory and effective safeguards and control system which is in accord with the principles originally agreed upon.

12. THIRD PARTY LIABILITY

The Community and the Government of the United States recognize that adequate measures to protect equipment manufacturers and other suppliers as well as the participating utilities against now uninsurable risk are necessary to the implementation of the joint program. The EURATOM Commission will seek to develop and to secure the adoption, by the earliest practicable date, of suitable measures which will provide adequate financial protection against third party liability. Such measures could involve suitable indemnification guarantees, national legislation, international convention, or a combination of such measures.

13. TARIFFS

The Commission will take all action open to it under the Treaty to minimize the impact of customs duties on goods and products imported under this joint program.

14. EXISTING AGREEMENTS

Existing agreements for cooperation in the field of nuclear energy between Member States and the United States of America are not modified by the joint program, but will be subject to appropriate negotiations pursuant to article 106 of the Treaty. Modifications may be made as necessary to permit transfers of reactor projects now contemplated under existing agreements that qualify for and are accepted under the joint program.

15. ADMINISTRATION OF THE PROGRAM

In order to assure the initiation and effective execution of this program, agreement will be reached on the overall organization needed to establish and carry out the joint program, including the establishment of such joint groups as are required.

The Commission of the European Atomic Energy Community (EURATOM) The United States of America

L. ARMAND
H. L. KREKELER
PAUL DE GROOTE
ENRICO MEDI
EMMANUEL SASSEN

JOHN FOSTER DULLES LEWIS L. STRAUSS

At Brussels on May 29, 1958, and at Washington on June 12, 1958.

Attachment "A": Principles for the Special Arrangements With Respect to the Fuel Cycles for Reactors To Be Constructed and Operated Under the Program

A. OBJECTIVE

The objective of the fuel cycle program is that arrangements for supplying fuel elements for the million kilowatt cooperative program will meet either criterion (1) or (2) below:

- (1) The integrity of the stainless steel or zirconium clad fuel elements for light-water cooled and moderated reactors is guaranteed to an average irradiation level of 10,000 megawatt days per metric ton of contained uranium; and the charge for fabrication of fuel elements starting with uranium hexafluoride is:
- (a) \$100 per kilogram of contained uranium for fuel elements made of uranium dioxide having a U-235 isotopic concentration no greater than 3% by weight, diameter between 0.25 and 0.50 inches, and stainless steel cladding; or

⁶ Average irradiation level will be based on a weight of fuel equivalent to the nominal fuel loading of the reactor. [Footnote in original.]

⁷ Adjustments of the integrity guarantee may be required if cladding materials other than stainless steel or zirconium are used. [Footnote ln original.]

⁸ Fabrication charges will be subject to escalation on the basis of a mutually determined index. [Footnote in original.]

- (b) \$140 per kilogram of contained uranium for similar fuel elements clad with zirconium cladding; or
- (c) appropriately adjusted charges for fuel elements having different eladdings or falling outside of the limitations on size, shape, or U-235 concentration.

Note: For each type of fuel element, there will be computed, as mutually agreed, "computed fuel cycle costs" based on guaranteed average irradiation levels and fabrication charges, and taking into account all charges for fuel fabrication, inventory, burnup, chemical reprocessing, and transportation and the credit for plutonlum. If the irradiation level and fabrication charge used in this computation are those given in A (1), the computed fuel cycle cost is defined as the "standard fuel cycle cost".

(2) The irradiation level in the integrity guarantee and the fabrication charge for fuel elements differ from the values specified in (1), but the combination gives a computed fuel-cycle cost equal to or tess than the standard fuel-cycle cost.

B. GUARANTEES

- 1. Arrangements for supplying fuel elements that meet eriterion (1) or (2) may be received from commercial sources but, in the event of failure of fuel elements, such arrangements may not sufficiently cover the extra costs of reprocessing and transporting irradiated fuel elements to meet the standard fuel-cycle cost. Under such conditions, the United States Commission will, for the purposes of prorating the chemical processing and/or transportation costs, offer to guarantee an average irradiation level, which, in combination with the guarantees offered by the manufacturer, would result in a computed fuelcycle cost equal to the standard fuel-cycle cost. When such guarantees are made, if the average irradiation level actually attained is greater than the irradiation level guaranteed by the United States Commission, onehalf of the resulting savings in costs of reprocessing and/or transporting irradiated fuel will be credited to the United States Commission, up to the sum of previous payments by the United States under this guarantee for the particular reactor concerned.
- 2. In the event that acceptable arrangements for supplying fuel elements meeting the criteria of A above are not received from commercial sources, the United States Commission will guarantee the fuel elements supplied under the following arrangements:
- (a) If the fabrication charge guaranteed by the manufacturer is equal to or less than the value specified in A (1) above, the United States Commission will guarantee an average irradiation level which, when combined with this fabrication charge, will give a computed fueleyele cost equal to the standard fuel-cycle cost.
- (b) If the average irradiation level guaranteed by the manufacturer is equal to or greater than the value specified in A (1) above, the United States Commission will guarantee a fabrication charge which, when combined with the average irradiation level in the manufacturer's integrity guarantee, will give a computed fuel-cycle cost equal to the standard fuel-cycle cost.

- (c) If the average irradiation level is less and the fabrication charge is greater in the manufacturer's guarantee than in A (1) above, the United States Commission will offer to guarantee the values in A (1).
- In cases (b) and (c) above, when the average irradiation level attained exceeds that guaranteed by the United States Commission, one-half of the resulting savings in fabrication costs will be credited to the United States Commission, up to the cost of payments by the United States Commission for fabrication charges for the particular core concerned.
- If the average irradiation level does not meet that guaranteed in (a), (b), or (c) above, the United States Commission will adjust the charges for fabrication, chemical reprocessing, and transportation to the level that would have been incurred had that guarantee been met.
- 3. Fuel-element guarantees may also be developed for proven types of reactors other than light-water cooled and moderated, determined by the EURATOM Commission and the United States Commission to be eligible for consideration under the joint program.
- 4. The guarantees provided by the United States Commission under paragraphs 1, 2, or 3 of this section will be applicable to all loadings made in the reactor during ten years of operation or prior to December 31, 1973, whichever is earlier.
- 5. In determining whether a guaranteed average Irradiation level has been attained, account will be taken not only of all material discharged because of actual failure of integrity, but also material whose discharge, in the joint opinion of the EURATOM Commission, the United States Commission, and the fabricator involved, was required for purposes of safe operation or economic operation (assuming for the latter determination that no guarantees were in force).
- 6. The technical and economic criteria under which proposals will be evaluated for acceptance will include minimum standards for fabrication charge and integrity guarantee for fuel elements. These criteria will also provide, as may be agreed, that subsequent reactor cores can be furnished by other than the initial fabricators.
- 7. In order to qualify for the guarantees by the United States Commission provided in paragraphs 1, 2, and 3 of this section, fuel elements must be fabricated by a United States manufacturer or by a manufacturer in EURATOM countries under agreement with a United States firm or firms. However, reactors under the joint program may be fueled with elements from other sources. In such cases, the United States Commission will offer to perform chemical reprocessing services at its published charges with respect to any source or special nuclear material obtained from the United States. If adequate facilities are not available in EURATOM countries when needed, the United States Commission will give sympathetic consideration to furnishing reprocessing services on material not furnished by the United States Commission.
- 8. The United States Commission guarantees will, in general, be extended to the utility through the fabricator of the fuel. In the event that it is determined by the

United States Commission that the fabricator is not meeting adequate performance standards, or, if it is mutually determined that a more advantageous source is available, other contractual arrangements will be made for supplying fuel elements under the guarantee.

Attachment "B": Principles for Establishing the Safeguards and Control System Under the Agreement for Cooperation

The principles which will govern the establishment and operation of the safeguards and control system are as follows:

The EURATOM Commission will:

- 1. Examine the design of equipment, devices and facilities, including nuclear reactors, and approve it for the purpose of assuring that it will not further any military purpose and that it will permit the effective application of safeguards, if such equipment, devices and facilities:
- a. are made available pursuant to this Agreement; or b. use, process or fabricate any of the following materials received from the United States: source or special nuclear material, moderator material or any other material.

nuclear material, moderator material or any other material relevant to the effective application of safeguards; or

- c. use any special nuclear material produced as the result of the use of equipment or material referred to in a and b.
- 2. Require the maintenance and production of operating records to assure accountability for source and special nuclear material made available or source or special nuclear material used, recovered, or produced as a result of the use of source or special nuclear material, moderator material or any other material relevant to the effective application of safeguards, or as a result of equipment, devices and facilities made available pursuant to this Agreement.
- 3. Require that progress reports be prepared and delivered to the EURATOM Commission with respect to projects utilizing material, equipment, devices and facilities referred to in paragraph 2 above.
- 4. Establish and require the deposit and storage, under continuing safeguards, in EURATOM facilities of any special nuclear material referred to in 2 above which is not currently being utilized for peaceful purposes in the Community or otherwise transferred as provided in the Agreement for Cooperation between the United States and the Community.
- 5. Establish an inspection organization which will have access at all times:
 - a. to all places and data, and
 - b. to any person, who by reason of his occupation deals

with materials, equipment, devices or facilities safeguarded under this Agreement,

necessary to assure accounting for source or special nuclear material subject to paragraph 2 and to determine whether there is compliance with the guarantees of the Community. The inspection organization will also be in a position to make and will make such independent measurements as are necessary to assure compliance with the provisions of this Attachment and the Agreement for Cooperation.9

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Recommendations Adopted by the International Labor Conference at its Thirty-Eighth Session at Geneva. Letter from the Assistant Secretary of State transmitting the texts of ILO recommendations Nos. 99 and 100 adopted by the International Labor Conference at its thirty-eighth session, at Geneva, June 22, 1955, pursuant to article 19 of the constitution of the ILO. H. Doc. 385, May 20, 1958. 28 pp.

Departments of State, Justice, the Judiciary, and Related Agencies Appropriations, 1959. Hearings before the subcommittee of the Senate Committee on Appropriations on H. R. 12428. May 21-28, 1958. 787 pp.

Amendments to the Budget for Mutual Assistance Program, Fiscal Year 1959. Communication from the President of the United States transmitting amendments to the budget for the fiscal year 1959, involving an increase in the amount of \$8,000,000, for mutual assistance programs. H. Doc. 407, June 18, 1958. 2 pp.

Execution of Certain Leaders of the Recent Revolt in Hungary. Report to accompany S. Con. Res. 94. S. Rept. 1727, June 18, 1958. 4 pp.

World Science-Pan Pacific Exposition, Seattle, 1961. Report to accompany S. 3680. S. Rept. 1721, June 18, 1958. 6 pp.

Peaceful Exploration of Outer Space. Report to accompany H. Con. Res. 332. S. Rept. 1728, June 19, 1958. 3 pp.

Mutual Security Act of 1958. Conference report to accompany H. R. 12181. H. Rept. 1941, June 20, 1958. 31 pp.

⁹ It is the understanding of the Parties that the above principles applicable to the establishment of EURATOM's inspection and control system are compatible with and are based on Article XII of the Statute of the International Atomic Energy Agency, Chapter VII of the EURATOM Treaty, and those adopted by the Government of the United States of America in its comprehensive Agreements for Cooperation. [Footnote in original.]

Highlights of the Mutual Security Program, July 1-December 31, 1957

EXCERPTS FROM THE THIRTEENTH SEMIANNUAL REPORT TO CONGRESS!

PRESIDENT'S LETTER OF TRANSMITTAL

To the Congress of the United States

I am transmitting herewith the Thirteenth Semiannual Report on the operations of the Mutual Security Program for the period July 1 through December 31, 1957. This report was prepared by the Department of State, the Department of Defense, and the International Cooperation Administration.

Each element of the Mutual Security Program is essential to the security, the prosperity and the continued well-being of the United States.

The best and least expensive way to counter the threat of Sino-Soviet military forces is to take part in the collective defense of the free world. Collective strength, however, cannot be built out of individual weaknesses. All defense partners therefore must be strong.

Most funds for mutual security are used to help create defense strength—by providing weapons and training to those who need them and cannot otherwise obtain them. They also provide economic resources which help some of our partners to maintain needed defense forces without being crushed by the economic burden involved.

It is not enough, however, for the nations of the free world to be strong in their defenses. Strength, security, and justice are needed in other areas: in business and economic affairs; in political and social institutions; in opportunities for eduThis is the kind of world in which we want to live. This is the kind of world for which we are willing to work, through the Mutual Security Program and in other ways.

This 6-month report shows how the United States—working in cooperation with many other nations at many different jobs—is making a positive contribution to world-wide peace and progress.

DWIGHT D. EISENHOWER

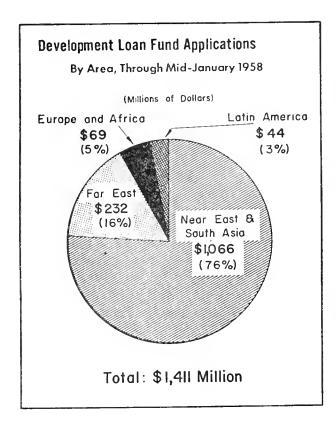
THE WHITE HOUSE, May 22, 1958

A number of important developments, involving both organization and operations, took place in the mutual security program during July-December 1957. The Development Loan Fund began to function as a new vehicle for financing economic development activities overseas. The responsibility for coordinating the military and economic aspects of mutual security was transferred to the Deputy Under Secretary of State for Economic Affairs in order to permit closer and more effective direction of the program from the standpoint of our foreign policy objectives. Additional steps were taken, particularly in connection with plans for nuclear and missile availability, to reinforce further the collective security systems upon which the safety of the United States and the whole free world is so heavily dependent. In the field of economic assistance, the less developed countries of the free world

July 14, 1958

cation; and in the growth of individuals in mind and spirit. Above all there must exist, in every country, a conviction held by the overwhelming majority of its citizens that hopes and desires for a decent life can be realized and fulfilled.

¹ H. Doc. 368, 85th Cong., 2d sess.; transmitted on May 23. Reprinted here, in addition to the letter of transmittal, are excerpts from chapter I, entitled "Highlights of the Half-Year." Chapter II of the report is entitled "The Development Loan Fund"; chapter III deals with "Use of Fiscal Year 1958 Funds" and chapter IV with "Other Aspects of the Mutual Security Program."



were helped to start new development and technical cooperation projects which would speed their economic progress. Equally important were gains made in bringing to fruition programs which had been started in previous years and, along with these gains, the development of increasing capacity on the part of the less developed countries to assume administrative and financial responsibility for carrying on such programs in the coming years.

MAJOR ORGANIZATIONAL CHANGES

The Development Loan Fund

A major change in the organizational pattern of the mutual security program was brought about with the establishment of the Development Loan Fund in accordance with provisions of the mutual security legislation for fiscal year 1958. Set up to furnish loans for worthwhile economic development projects in less developed areas of the world, the fund also represents an effort to draw a clearer line between economic assistance intended solely for development purposes and

economic assistance designed to enable friendly countries to support the burden of their contribution to free world defense. The fund is not subject to the usual mutual security legislative limitations on the time allowed for obligating appropriated funds. Therefore, it can better concentrate on promoting long-term economic growth in recipient countries.

The fund has authority to make loans repayable in either dollars or foreign currencies, the latter usually being the currency of the borrowing country. The Development Loan Fund supplements investment from other public and private sources; it does not extend credit when other financing is available on reasonable terms. Many countries lack sufficient capacity to repay loans on normal banking terms from such institutions as the Export-Import Bank and the International Bank for Reconstruction and Development. Furthermore, some of the basic projects for development entail risks that conventional financial institutions are not prepared to take. . . .

The Coordination Function

The other major organizational change during the period became effective on December 5, 1957, when the Secretary of State, under authority of an Executive Order, took the following steps: (a) vested coordinating responsibility for mutual security programs in the Deputy Under Secretary of State for Economic Affairs, (b) continued the operating responsibilities of the Director of the International Cooperation Administration for the major nonmilitary mutual security programs, and (c) assigned various responsibilities with respect to the Development Loan Fund to the Director of ICA.²

The Deputy Under Secretary of State, after consultation with the Assistant Secretary of Defense for International Security Affairs and the ICA Director, will develop and approve broad policies for the conduct of the mutual security program. He will also review annual programs submitted by the Department of Defense and ICA, approve the final program as submitted to the Bureau of the Budget, and insure that effective coordination has taken place between the Department of Defense, the International Cooperation Administration and the Department of State.

² Bulletin of Dec. 23, 1957, p. 990.

This transfer of the coordinating function was intended to produce several advantages. By bringing the function close to the central policy direction of the Department of State, it is expected that integration of the various parts of the mutual security program, particularly in the planning stages, will be assured and that the program as a whole will be directly geared to related foreign policies. This intimate linking with foreign policy will also place the United States in a better position to deal with the factor of increasing Sino-Soviet Bloc economic and military aid to the economically less developed countries of the free world. Such aid had reached a total of nearly \$2 billion by the end of 1957. In addition to furnishing credits and grants to these countries, the Sino-Soviet Bloc has markedly stepped up its activities in technical assistance, trade, trade fairs, and cultural and scientific exchanges of all kinds.

DEVELOPMENTS IN COLLECTIVE SECURITY

North Atlantic Treaty Organization

The last 6 months of 1957 saw increasing cooperative activity in the North Atlantic Treaty Organization between the United States and its allies. The launching of the Soviet satellites and the evidence of considerable Soviet progress in missile development had made it all the more necessary for the alliance to draw closer together to meet Soviet technological gains and the increased threat to the free world.

Mr. Paul Henri Spaak paid his first visit to the United States in the fall of 1957 in his new capacity as NATO's secretary general. His visit coincided with that of British Prime Minister Macmillan, who arrived in October for talks with President Eisenhower.³

The discussions by President Eisenhower, Prime Minister Macmillan and Secretary General Spaak led to a NATO heads of government meeting at Paris in December. Important steps were taken at this December meeting for strengthening the NATO alliance. In response to the increased Soviet threat to free world security brought about by the fact that Soviet forces were being equipped

with the most modern and destructive weapons, the NATO members made the following decisions:

- To establish stocks of nuclear warheads which will be readily available for the defense of the alliance in case of need. The United States agreed to participate in a NATO atomic stockpile system which would place nuclear warheads, under United States custody, in close proximity to the nuclear-capable weapons furnished under the military assistance program. Such deployment would be in accordance with NATO defense planning and in agreement with the nations directly involved.
- To take the steps required to put intermediate range ballistic missiles at the disposal of the Supreme Allied Commander, Europe (SACEUR). The United States offered to make such missiles available to other NATO nations for deployment in accordance with SACEUR's plans. Nuclear warheads for these missiles would remain under United States custody as a part of the NATO atomic stockpile.
- ▶ To hold a military conference early in 1958 at the ministerial level to discuss progress made in obtaining as high a degree of standardization and integration as possible in all fields, particularly in certain aspects of air and naval defense, in logistic support, and in the composition and equipment of forces.
- To take further measures within NATO to promote coordination of research, development and manufacture of modern weapons, including intermediate range ballistic missiles.
- To study as a matter of urgency the best means of achieving coordinated production of advanced weapons needed by NATO forces. The United States, along with other countries with advanced programs, offered to share information on production techniques and research to stimulate effort in the defense production field.

To promote scientific and technical cooperation, it was also agreed to establish a science committee, composed of eminent scientists from all NATO countries, and to appoint a science adviser to the Secretary General of NATO.

As an additional means of strengthening the common defense, and to assure the fullest economic, cultural, and scientific development of the Atlantic community, it was agreed that meas-

³ Ibid., Nov. 11, 1957, p. 739.

ures should be taken to increase the supply of trained men in various branches of science and to achieve a greater pooling of efforts and information in this field.⁴

SEATO

Further steps were taken during July-December 1957 to develop the programs approved at the third annual council meeting of the Southeast Asia Treaty Organization, held in March 1957 at Canberra, Australia.⁵ Member governments nominated additional international staff personnel who have now taken up their posts. The office of the secretary general went into operation, and benefits in efficiency and coordination have already been evident.

A major SEATO combined military exercise was held in the Philippines during the period, helping to improve coordination among the armed forces of the SEATO nations. This exercise was to be followed by others as provided for in the training schedule approved by the military advisers at Bangkok in September 1957.

Other Developments in Collective Security

In the Baghdad Pact organization, the combined military planning staff, which was established as an outgrowth of the meeting of the Ministerial Council in June 1957, carried out a number of planning studies for consideration by the pact's military committee in January 1958. Preparations also were made for the important meeting of the council at Ankara, Turkey, in January 1958 to review means for obtaining closer coordination in the organization's affairs.

During the half-year, the United States supplied Libya with the major portion of the arms, equipment, and ammunition agreed upon under arrangements made in June 1956. The materiel consisted of transportation and communication items, 105-mm. howitzers, 60-mm. mortars, rifles, ammunition, and various small equipment items. This materiel would help equip an additional 1,000 men for the Libyan Army. A United States

⁴ For text of declaration and communique dated Dec. 19, 1957, see *ibid.*, Jan. 6, 1958, p. 12.

Military Assistance Advisory Group was established in Libya during the period.

Under the terms of an agreement of November 4, 1957, Tunisia became eligible to purchase equipment, materials, and services under the Mutual Security Act of 1954, as amended. This step was followed by delivery on November 15 of 500 rifles and 50,000 rounds of ammunition purchased by the Government of Tunisia for the Tunisian Army.

In response to a request from the Government of Jordan for military assistance, the United States Government agreed to provide that nation with military goods and services. A substantial part of the goods had been delivered by the end of the period under review.

The United States military assistance program of grant aid to Yugoslavia was terminated in December 1957 by mutual agreement of the two governments. Yugoslavia remains eligible to purchase military equipment from the United States.

Continuing progress was made in military aid activities under way in other countries of the free world. These activities encompassed a variety of programs: furnishing needed military items which the countries could not otherwise provide for themselves; training their armed forces in effective utilization of such military items; helping to establish self-sufficient national training programs; and raising the skill of military personnel in operating modern equipment.

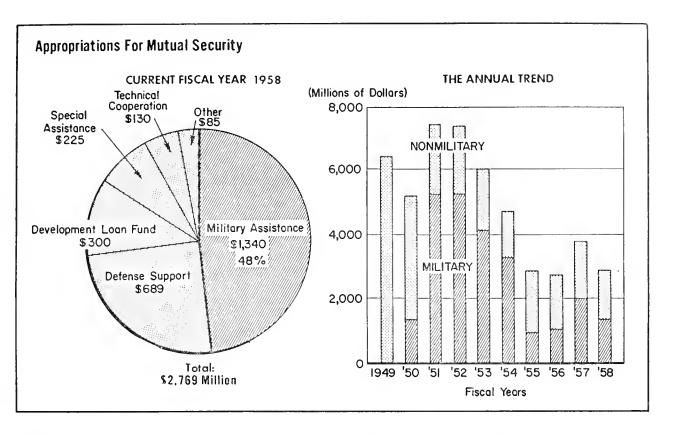
ECONOMIC ASSISTANCE

The Development Loan Fund is now a primary vehicle for assisting friendly countries in their programs of economic development. Countries to which we are giving military assistance in the interest of our common defense, however, frequently need conomic assistance to enable them to carry the burden of their contribution to free world military strength. Economic assistance with this objective is called defense support. Many of the economic aid projects and programs discussed below are for defense support.

Progress in Going Programs

Hwachon Power Project in South Korea Completed—In November 1957, the cooperative project for the rehabilitation and expansion of the

⁵ Ibid., Apr. 1, 1957, p. 527.



Hwachon Dam and hydroelectric power plant was completed. This represented a major step in the progress of the United States program for South Korea. The project is symbolic of our dual purpose of helping the Republic of Korea to recover from the havoc of the Communist invasion and at the same time to build up its own economic capabilities in order to reduce its dependence on external aid. Such aid is now necessary to enable this important free world partner to make its contribution to the common defense.

With a capacity of 81,000 kilowatts, Hwachon, the Republic of Korea's largest single electric power plant, represents almost one-fourth of the nation's total capacity of 336,000 kilowatts. . . .

Power Project in Turkey Brought Into Operation—The Sariyar hydroelectric power project, located about 50 miles west of Ankara, is now providing much needed electrical energy over a radius which includes the industrially concentrated areas of Istanbul and Ankara. The United States contributed about \$10 million to the total cost of this project, and the Turkish Government met local currency costs equivalent to \$80 million. Designed to increase electric power facilities to meet the growing industrial requirements in northwestern

Anatolia, the joint project included construction of a dam and of diversion and power tunnels; installation of two 40,000 kilowatt power generating units; erection of power transmission systems connecting Sariyar with Ankara, Istanbul and Karabuk; and training of Turkish engineers. The project is now completely under Turkish management.

United States Highway Assistance to Turkey Draws to a Close—Turkey is now ready to carry on its highway improvement program unassisted. The last group of American public roads advisors to the Government of Turkey will be withdrawn in 1958. With United States aid, Turkey has been able to establish a highway system of more than 17,000 miles; train 5,000 equipment operators; build more than 10 miles of bridges; and set up 55 maintenance shops. These accomplishments have helped bring about a reduction of 63 percent in unit freight costs in Turkey and have drastically reduced motor travel time. In a very real sense, the highway improvement program has opened up formerly isolated areas in the interior of Turkey to the benefits of modern commerce. The program will also contribute to Turkev's defensive strength.

July 14, 1958 85

Taiwan's Manufacturing Capacity Expanded— Three important accomplishments during the half-year added measurably to Taiwan's ability to manufacture products vital to its economic prog-Construction of a cement plant at Chia Hsin in southern Taiwan was completed in December. This plant has an annual production capacity of 100,000 metric tons of portland cement. All raw materials used by it, except gypsum, are produced locally. At Chutung in northwestern Taiwan, the annual production capacity of another cement plant was increased by 100,000 metric tons. These projects will support other civilian development projects in hydroelectric power and irrigation as well as aid in Taiwan's military construction program. The United States contributed about half of the \$4.4 million cost of the Chia Hsin plant and \$1 million of the \$1.4 million cost of expanding the Chutung plant.

At the end of the year, a new fertilizer plant at Kaohsiung was operating at 90 percent of its capacity for producing annually 35,500 tons of nitro-phosphatic fertilizer. This amount would provide about 15 percent of Taiwan's requirements of phosphatic fertilizer and would yield an annual saving in foreign exchange of some \$750,000. With most of Taiwan's available arable land already under cultivation and an annual growth in population of more than 3 percent, chemical fertilizers are important for achieving vitally needed increases per acre in production of food and other crops. Of the total cost of about \$3 million for this project, the United States financed \$2.1 million, of which one-third was in local currency. The Taiwan Fertilizer Company, a government corporation which is operating the plant, contributed the equivalent of \$900,000 in local currency.

New Cooperative Programs Started

Utilizing Burma's Line of Credit—The United States and Burma signed agreements in December for the first two projects to be carried out under the \$25 million line of credit which the United States extended to Burma in fiscal year 1957. One of these projects will restore more than 1 million acres of land to cultivation in the delta area of the Irawaddy River. Another 1 million acres

in the same area, now in production, will be protected from periodic floods. Completion of this project will enable more than a half million farmers to return to the land. About \$5 million will be drawn from the United States loan; Burma will provide local currency equivalent to about \$20 million. The United States funds will finance the purchase of moving, grading, and dredging equipment for work on embankment and drainage canals. Other equipment will be supplied to clear the land and to aid in its cultivation.

The second project under the \$25 million lineof-credit will use \$690,000 for mechanical equipment to assist Burma in modernizing extraction operations in its important teak timber industry.

Encouraging Small Business in Africa—Efforts are being made under the mutual security program to encourage expansion of small business enterprises in many parts of Africa where there is a vital need for greater participation of the local people in retail and wholesale trade, and in the service and processing industries. An agreement between the United States and the Tunisian Governments was reached in December 1957 to establish a Small Industrial Loan Fund within the new Tunisian Development Bank in order to make credit available at moderate interest rates to small business enterprises. The fund will be financed by allocating \$3 million in counterpart funds acquired from the sale in Tunisia of ICAfinanced imported commodities.

A similar program of small-industry financing is under consideration by officials of the Liberian Government, based on a special survey of the problem prepared by ICA contract consultants. To finance part of the initial stages of the program, the Liberian Government has applied for assistance from the Development Loan Fund. United States technical advice, guidance, and training possibly would be extended in this and related fields of small-business development. The needs and possibilities of such a program are being explored with Liberian officials by the industrial advisor recently assigned to the ICA mission.

In Somalia, scheduled to achieve its independence in 1960, ICA was requested to provide agricultural and industrial advisers to assist the

Somalian Government small-loan fund which was originally established through Italian grant aid.

It should be borne in mind that the largest portion of the funds appropriated for all types of economic assistance has been used for purposes which are not directly related to particular development projects. Large quantities of foods and fibers, including United States surplus agricultural commodities, as well as industrial raw materials and fuels are furnished countries to help meet needs which are not covered by specific projects. Commodities provided for such needs are used to fulfill essential consumption requirements, to combat serious inflationary forces which impede program objectives, and to help compensate for the lack of foreign exchange. The sale of these commodities in the markets of the recipient countries enables the host governments to acquire local currencies which they use to finance their economic as well as defense programs.

ICA expenditures during July-December 1957 for commodity assistance not related to specific development projects were about 75 percent of the agency's total expenditures. The current trend, however, is toward proportionately more project-type aid. This trend is likely to be accelerated as obligation of the resources of the Development Loan Fund becomes an important part of the total commitments for economic assistance.

TECHNICAL COOPERATION HIGHLIGHTS

During July-December 1957, hundreds of technical cooperation projects were being carried forward in more than 50 countries. Each project was designed to bring some particularly needed know-how to help people in the less developed areas of the free world advance along the road to economic development. At the end of 1957, 4,951 American technicians were engaged overseas in this work. Of this number, 2,880 were directly employed by ICA; the remaining 2,071 were working under ICA-financed contracts with American universities, private firms and other institutions. Meanwhile, during the period under review, 2,873 technical personnel from cooperating countries were brought to the United States or other appropriate locations for training in a variety of fields.

The activities which make up the technical cooperation program are as varied as the problems which the people in less developed countries must overcome in their effort to achieve effective economic progress. . . .

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Agreement on joint financing of certain air navigation services in Greenland and the Faroe Islands. Done at Geneva September 25, 1956.

Acceptance deposited: Netherlands, June 6, 1958.

Acceptance deposited: Netherlands, June 6, Entered into force: June 6, 1958.

Agreement on joint financing of certain air navigation services in Iceland. Done at Geneva September 25, 1956.

Acceptance deposited: Netherlands, June 6, 1958. Entered into force: June 6, 1958.

BILATERAL

Afghanistan

Agreement concerning cultural relations. Effected by exchange of notes at Washington June 26, 1958. Entered into force June 26, 1958.

Canada

Agreement relating to the establishment, maintenance, and operation by the United States of aerial refueling facilities in Canada. Effected by exchange of notes at Ottawa June 20, 1958. Entered into force June 20, 1958.

Denmark

Agreement amending research reactor agreement concerning civil uses of atomic energy of July 25, 1955, as amended (TIAS 3309 and 3758). Signed at Washington June 26, 1958. Enters into force on date on which each government receives from the other written notification that it has complied with statutory and constitutional requirements.

Ecuador

Agreement providing financial assistance to Ecuador. Effected by exchange of notes at Washington June 27, 1958. Entered iuto force June 27, 1958.

Poland

Agreement amending the agricultural commodities agreement of February 15, 1958 (TIAS 3991). Effected by exchange of notes at Washington June 6, 1958. Entered into force June 6, 1958.

Yugoslavia

Agreement concerning the reciprocal recognition of tonnage certificates. Effected by exchange of notes at Washington June 12 and 16, 1958. Entered into force June 16, 1958.

U.N. Security Council Sends Observation Group to Lebanon

The U.N. Security Council met on June 6 to consider a Lebanese complaint "in respect of a situation arising from the intervention of the United Arab Republic in the internal affairs of Lebanon, the continuance of which is likely to endanger the maintenance of international peace and security" (U.N. doc. S/4007). Following are four U.S. statements made during the debate, three by Henry Cubot Lodge, U.S. Representative to the United Nations, and one by James W. Bareo, Deputy U.S. Representative, together with the text of a resolution adopted by the Council on June 11.

STATEMENT BY MR. BARCO, JUNE 6

U.S./U.N. press release 2937

We have heard in considerable detail, from its distinguished Foreign Minister, Lebanon's complaint against the United Arab Republic and the reply of the distinguished representative of the United Arab Republic.

We must note the statement of the representative of the United Arab Republic that his Government has no intention to intervene in Lebanon's domestic affairs or to threaten Lebanon's integrity. But, Mr. President, the charges presented by the Foreign Minister of Lebanon—that is, external radio broadcasting inciting to revolt, the movement of armed men across Lebanon's borders, and the supply of arms from outside—these charges are very serious charges and are gravely disturbing.

Members of the Council are surely obliged to consider this situation with the greatest care in the light of the evidence and the arguments we have heard today. The evidence adduced by the distinguished Foreign Minister of Lebanon to back his charges is, to us, very impressive.

I therefore support the suggestion of the distinguished representative of Iraq that we meet again to consider this question on Tuesday. In the meantime, the United States urges that every step be taken by all concerned—and I repeat by all concerned—to maintain respect for the independence and the integrity of Lebanon and to prevent any actions or developments inconsistent with this objective. We very much hope that this will be the case.

FIRST STATEMENT BY MR. LODGE, JUNE 10

U.S./U.N. press release 2939

In the light of the facts which have been adduced before the Security Council, the United States announces its support of the resolution introduced by the representative of Sweden. The most constructive thing the Security Council can do would be to get United Nations representatives to the borders of Lebanon to assure that no activities of the nature complained about by the representative of Lebanon are carried on.

The representative of Lebanon has conveyed the urgency of the situation in his country. The Swedish resolution is a useful attempt to meet this pressing issue. Its terms are simple and clear. It would, we think, be altogether fitting for the Security Council to remain in session and pass this resolution tonight.

Mr. President, I reserve my right to speak more extensively in the near future.

SECOND STATEMENT BY MR. LODGE, JUNE 10

U.S./U.N. press release 2940

The United States Government has listened to and carefully examined the statements both of the Foreign Minister of Lebanon and of the representative of the United Arab Republic.

The conclusion is clear that there has been outside interference in the internal affairs of the Republic of Lebanon and that this interference has been designed to promote civil strife and to impede the efforts of the constituted authorities to restore order and tranquillity, and that the interference has occurred from the territory and via the facilities of the United Arab Republic.

This statement is made with regret. First, because this situation has fomented violence and bloodshed in the peaceful state of Lebanon, a country whose people have by their tradition clearly revealed their desire to live at peace with their neighbors. Secondly, we regret it because the United States desires good relations with all states in the Middle East, including the United Arab Republic, and deplores the creation of circumstances which obstruct such relations.

This situation, backed by the evidence presented by the representative of Lebanon, is grave indeed. The Security Council cannot ignore it. Fundamental questions concerning the responsibilities both of members of the United Nations and of the organization itself are involved.

A cardinal principle of the United Nations is the injunction on all members contained in article 2, paragraph 4, of the charter to "refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations." The Security Council and the General Assembly, over the past dozen years, have on many occasions considered complaints involving this essential charter principle of nonintervention.

Recognizing the universal significance of this issue the General Assembly, on December 1, 1949, adopted by an overwhelming majority resolution 290 (IV) entitled "Essentials of Peace." Directly pertinent to our discussions today is the provision calling upon every nation "to refrain from threatening or using force contrary to the Charter" and "to refrain from any threats or acts, direct or indirect, aimed at impairing the freedom, independence or integrity of any state, or at fomenting civil strife and subverting the will of the people in any state."

The United Nations also must be particularly alert in protecting the security and integrity of small states from interference by those whose resources and power are larger. This principle should be supported regardless of who the offender may be. The protection of the less strong was, indeed, one of the main reasons why the United Nations was established, and it was in 1956 that Egypt herself benefited from this fact.

Most of the members of the United Nations are,

like Lebanon, small powers. Anything that affects one of their number must certainly be of general concern to all of them. If the idea is ever sanctioned here that large states, simply because they are large, can interfere with impunity in the internal affairs of small states, simply because they are small, we will have given our blessing to the doctrine that might makes right and the United Nations will have ceased to be a respectable organization.

The record of the United States in the United Nations in defense of the territorial integrity and political independence of states is consistent and clear. We supported fully United Nations action in defense of the territorial integrity of Egypt in 1956. Now, having in mind the same charter principles, the United States Government is concerned about the present situation in Lebanon. There should be no doubt of the firm determination of the United States to continue to support the integrity and independence of that country.

Lebanon has over the past 13 years played a distinguished role in working for the cause of peace in the United Nations. Its leading statesmen have devoted themselves to the purposes and principles of the charter. The policies of its Government have been helpful in reducing tensions in a part of the world where tensions are only too common.

The people of the United States feel a particularly deep sympathy for the peoples of Lebanon, not only because of their country's record in international affairs but also for the close and intimate ties that have long existed between the two. This warm friendship has its basis in common ideals of democracy. It has found its expression in extensive cultural and social cooperation. It reflects common beliefs and objectives.

The representative of the United Arab Republic has quoted extensively from political sources within Lebanon who are opposed to the present government. Political opposition in a democracy is natural, indeed essential, as a basis for the free determination of the country's destiny by its citizens. It is something of which Lebanon can be proud.

The fact that this opposition exists, or that it feels strongly about its ideals is, however, no justification whatever for external attacks, whether by radio or by other controlled media, upon the government in office, for external demands that it

¹ For text, see Bulletin of Nov. 28, 1949, p. 807.

resign, or for external support and assistance to those not in office.

Lebanon has already demonstrated its ability to govern itself through modern, liberal traditions. It will surely continue to do so if others do not exploit normal differences of opinion for purposes of their own.

The United States has noted with interest the statements made by the representative of the United Arab Republic that his Government hopes Lebanon "will continue to be independent" and that it wishes "for the prosperity, well-being and peace of the Lebanese people," that the United Arab Republic "categorically rejects" the complaint that there has been "an intervention of the United Arab Republic in the affairs of Lebanon," and that the United Arab Republic is "always prepared to cooperate with the United Nations and to settle our disputes within the framework of the charter."

In view of these statements the United States assumes that the Government of the United Arab Republic will take all possible measures to insure that efforts to uphold the authority of the legally constituted Government of Lebanon and to reestablish law and order are not obstructed by activities based on the territory or by means of facilities of the United Arab Republic.

The United States Government hopes that the Security Council will help to bring about an end to interference by the United Arab Republic in Lebanon. We hope the views of members of the Council will be received with respect and that they will produce prompt results.

Before I conclude, let me say just one brief word about the statement made by the Soviet representative. The Soviet strictures against the United States are so standardized that it would be a waste of time to demonstrate their absurdity. And this is one night, Mr. President, in our history when we must not waste time. Yet instead of joining forces with us to do something quick and helpful, the Soviet representative seems to be looking for reasons not to do something. We hope this turns out not to be the case.

I say this because current reports just reaching me from Beirut show that the situation is increasingly critical and that the infiltrations from Syria are growing. A press report just brought to me indicates that two major battles are in progress. One is in the Ain Zahalta area, where armed bands are seeking to cut the major highway leading from Beirut. Another battle is going on in the outskirts of Tripoli. In both battles artillery is being used against the Lebanese forces.

Under these circumstances it would be preposterous and dangerous to sit here solemnly and, to paraphrase a well-known saying, quibble while Rome burns. The need is for something practical and that something is the Swedish resolution. It encroaches on nobody. It is consistent with the charter. It could yet stop the attempts to subvert a gallant little country.

Mr. President, we urge the Council to take quick and decisive action.

STATEMENT BY MR. LODGE, JUNE 11

U.S./U.N. press release 2941

The United States is gratified by the action of the Security Council today.

First, we adopted the Swedish resolution, which is a practical step toward peace. We trust that our esteemed Secretary-General will act with his accustomed speed and will have someone in Lebanon within 24 hours.

Then, in addition to the resolution, 10 speeches were made in the Council, 10 speeches which reflected the regard which members of the Council felt for the merit of the statements made by the representative of Lebanon.

Both the speeches and the resolution are responsible, constructive actions for which we think the Security Council is entitled to congratulations.

TEXT OF RESOLUTION?

U.N. doc. S/4023

The Security Council,

Having heard the charges of the representative of Lebanon concerning interference by the United Arab Republic in the internal affairs of Lebanon and the reply of the representative of the United Arab Republic,

Decides to dispatch urgently an observation group to proceed to Lebanon so as to ensure that there is no illegal infiltration of personnel or supply of arms or other materiel across the Lebanese borders;

Authorizes the Secretary-General to take the necessary steps to that end;

Requests the observation group to keep the Security Council currently informed through the Secretary-General.

² Adopted on June 11 by a vote of 10 to 0; the U.S.S.R. abstained.

| American Republics. U.S. Lends \$2,300,000 to Ecuador for Inter-American Conference | 68 |
|--|----------|
| Argentina. Letters of Credence (Barros Hurtado) | 54 |
| Atomic Energy Geneva Technical Conference (texts of U.S. letter, Soviet aide memoire, President's message, U.S. participants) | 47 |
| President Asks for Congressional Approval of Agreement With European Atomic Energy Community (memoran- dum of understanding, text of agreement) U.S. and Denmark Sign Amendment to Atomic Research | 70 |
| Agreement | 54 |
| Canada. Problems Facing the United States and the Western World (Dulles, McInnis) | 61 |
| Fund Agreement | 68 |
| Communism. Problems Facing the United States and the Western World (Dulles, McInnls) | 61 |
| Congressional Documents Relating to Foreign Policy Highlights of the Mutual Security Program, July 1-Decem- | 80 81 |
| ber 31, 1957 President Asks for Congressional Approval of Agreement With European Atomic Energy Community (memoran- dum of understanding, text of agreement) | 70 |
| Denmark. U.S. and Denmark Sign Amendment to Atomic Research Agreement | 54 |
| Economic Affairs President Suspends Consideration of Lead and Zinc Tariffs. Problems Facing the United States and the Western World (Dulles, Mclauls) | 69 61 |
| Ecuador. U.S. Lends \$2,300,000 to Ecuador for Inter- American Conference | 68 |
| Europe. President Asks for Congressional Approval of Agreement With European Atomic Energy Community (memorandum of understanding, text of agreement) | 70 |
| Germany, East. Efforts for Release of Helicopter Crew and Passengers in East Germany | 50 |
| Greece. U.S. Loan To Help Greece Build Fertilizer Plant . | 69 |
| India. United States and India Sign \$75 Million Loan Agreements | 67 |
| International Information. Freedom of Ideas vs. Censorship (Berding) | 55 |
| Lebanon U.N. Security Council Sends Observation Group to Lebanon | |
| (Barco, Lodge, text of resolution) United States To Send Wheat to Lebanon | 88 68 |
| Libya. Letters of Credence (el-Kekhia) | 54 |
| Military Affairs. Efforts for Release of Helicopter Crew and Passengers in East Germany | 50 |
| Matual Security Highlights of the Mutual Security Program, July 1-December 31, 1957 | 81 |
| United States and Ceylon Sign Development Loan Fund | 68 |
| United States and India Sign \$75 Million Loan Agree- nients. | 67 |
| U.S. Loan To Help Greece Build Fertilizer Plant United States To Send Wheat to Lebanon | 69 68 |
| Panama. Funds Appropriated for Bullding Panama Ca- nat Bridge | 68 |
| Presidential Documents Geneva Technical Conference (text of President's message) | 47 |
| Highlights of the Mutual Security Program, July 1-Decem- | |
| ber 31, 1957 President Asks for Congressional Approval of Agreement with European Atomic Energy Community | 81 70 |
| President Suspends Consideration of Lead and Zine Tariffs. Protection of Nationals. Efforts for Release of Helicopter | 69 |
| Crew and Passengers in East Germany | 50 |
| Change to the total and the to | 87 |
| Current Actions . Funds Appropriated for Building Panama Canal Bridge . | n ba |
| President Astrons Funds Appropriated for Building Pannan Canal Bridge President Asks for Congressional Approval of Agreement With European Atomic Energy Community (memoran- dum of understanding, text of agreement) | 68 70 |

| U.S. and Ceylon Sign Deve U.S. and Denmark Sign | eloj A n | pme | ent dm | Lo | an | Fi | ind itoi | Ag | ree | ese | nt | eh | 68 |
|--|---------------|------|-----------|-----|-----------|----------|-------------|-------|-------|------|----------|-----|----------|
| Agreement | vi ii | Ho. | n I | | n . | ior | een | on. | t a | | | • | 54 67 |
| U.S. Lends \$2,300,000 to . | \mathbf{Ee} | uad | or | for | . [1 | itei | r-A | me | rie | ın | Cp | n- | 68 |
| U.S. To Send Wheat to L | eba | ino | 'n | : | : | : | : | : | : | : | • | : | 68 |
| U.S.S.R. Efforts for Release of He | 110 | ont. | ۰. | Cre | 3 T T T | an | a 1 |) n a | gon | (TO) | - 67 | in | |
| Ensit Germany Freedom of Ideas vs. Cen | · · | opt | • | | * . | | | | • | .ge. | | 111 | 50 |
| Freedom of Ideas vs. Cen Geneva Technical Confere | SOI | rsh | ip tev | (Be | erd of | ing H | () S | leti | er. | S | , Ivi | et. | 55 |
| nide memoire, Presiden | it's | m | ess | nge | , τ | J.S. | . pa | ırtl | leip | an | ts) | . (| 47 |
| U.S. Gives Soviets Facts of | n i | Nev | v Y | ori | s D | em | ons | štΓ£ | ttic | ons | ٠ | • | 49 |
| United Nations U.N. Security Council Sen | de | Ωħ | 205 | vat | lor | G | ron | n t | ωľ | eh | n m | οn | |
| (Barco, Lodge, text of | 168 | olu | tio | n) | | | | ٠. | | | | | 88 |
| U.S. Gives Soviets Facts of | n | Nev | v Y | orl | k D | em | ons | stra | ı tic | ns | ٠ | ٠ | 49 |
| | | | nde | | | | | | | | | | |
| Barco, James W | | | | | | | | | | | ٠ | | 88 |
| Barros Hurtado, César . Berding, Andrew H | | | | | | | | | | | | | 54 55 |
| Dulles, Secretary | | | | | | | | | | | | | 61 |
| Eisenhower, President . | | | | | | | | | | 4 | 7, | 69, | 70, 81 |
| el-Kekhin, Mansour Fethi | • | | ٠ | • | ٠ | | ٠ | ٠ | | | • | | 54 |
| Lodge, Henry Cabot . McInnis, Edgar | • | • | • | • | ٠ | • | • | • | • | • | • | ٠ | 88 61 |
| AGCEBBIO, MUSCLE | | | | | | | | | | | | | OI |

Check List of Department of State Press Releases: June 23-29

Press releases may be obtained from the News Division, Department of State, Washington 25, D. C.

| No. | Date | Subject |
|-----------|------|--|
| 340 | 6/23 | Libya credentials (rewrite). |
| 341 | 6/23 | Argentina credentials (rewrite). |
| *342 | 6/23 | Educational exchange. |
| 343 | 6/23 | Berding: Civitan International, New |
| | | Orleans. |
| 344 | 6/23 | Loan to Greece. |
| 345 | 6/23 | U.SEURATOM program. |
| 846 | 6/23 | DLF loan to India. |
| 347 | 6/23 | Dulles: Canadian TV interview. |
| 348 | 6/24 | DLF loan to Ceylon (rewrite). |
| †349 | 6/24 | Arrival of Afghan Prime Minister. |
| 350 | 6/25 | U.S. aide memoire on anti-Soviet dem- |
| | | onstrations in New York. |
| †351 | 6/25 | Soviet aide memoire on Geneva meet- |
| | | ings. |
| 352 | 6/25 | Bridge over Panama Canal. |
| 353 | 6/25 | U.S. participants in Geneva meeting. |
| 354 | 6/26 | Amendment to atomic research agree- |
| | | ment with Denmark. |
| 355 | 6/26 | Steps to procure release of helicopter |
| | | crew in East Germany. |
| -356 | 6/26 | Letter to Gromyko on Geneva meeting. |
| †357 | 6/26 | Cultural agreement with Afghanistan. |
| *358 | 6/26 | Itinerary for Afghan Prime Minister. |
| ± 359 | 6/26 | Dulles and Daud: remarks on signing |
| | | of cultural agreement. |
| 360 | 6/27 | Loan to Ecuador for Inter-American |
| | | Conference. |
| †361 | 6/27 | Visit of Shah of Iran. |
| 362 | 6/27 | Wheat to Lebanon. |
| | | - |

^{*}Not printed. †Held for a later issue of the Bulletin.

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THE DEPLET OF STATE

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Vol. XXXIX, No. 995

July 21, 1958

| PRESIDENT CALLS FOR SERIOUS CONSIDERATION BY SOVIETS OF WESTERN PROCEDURAL PRO- POSAL FOR SUMMIT CONFERENCE • Exchange of | |
|---|-----|
| Correspondence Between President Eisenhower and Premier Khrushchev | 95 |
| GENEVA TECHNICAL TALKS • Texts of U.S. and Soviet Aide Memoire | 101 |
| SECRETARY DULLES' NEWS CONFERENCE OF JULY I | 104 |
| VISIT OF THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES | 120 |
| VISIT OF THE PRIME MINISTER OF AFGHANISTAN | 127 |
| TWENTY YEARS AFTER: TWO DECADES OF GOVERNMENT-SPONSORED CULTURAL RELATIONS • Article by Francis J. Colligan | 112 |

For index see inside back cover

THE DEPARTMENT OF STATE



Vol. XXXIX, No. 995 • Publication 6675

July 21, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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President Calls for Serious Consideration by Soviets of Western Procedural Proposal for Summit Conference

Following is an exchange of correspondence between President Eisenhower and Nikita Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republies, together with a Department statement concerning Premier Khrushehev's letter.

THE PRESIDENT TO PREMIER KHRUSHCHEV

White House press release dated July 2

July 2, 1958.

Dear Mr. Charman: I was frankly surprised by your letter of June 11. You complain about delay in preparations for a Summit meeting precisely at the moment when the Western powers have submitted a proposal for a serious and effective procedure for conducting these preparations. This refutes the allegation contained in your letter that the three Western powers are creating obstacles and impeding progress toward a Summit meeting.

The position of the Western powers concerning holding of a meeting of Heads of Government has been clear from the outset. They consider such a meeting desirable if it would provide an opportunity for conducting serious discussions of major problems and would be an effective means of reaching agreement on significant subjects. From the known positions of the Soviet Government, there is no evidence so far that such is the case. That is why the Western powers insist on adequate preparatory work and why they have put forward their proposal to facilitate satisfactory completion of this work.

The Soviet Government instead has disrupted the discussions in Moscow by taking upon itself to publish with bare hours of warning and no attempt at consultation the documents exchanged between it and the Western powers, including diplomatic documents originating from the Western powers. This action is scarcely consonant with the spirit of serious preparation in which the Western powers entered into these diplomatic exchanges. It cannot but cast doubt on the intentions of the Soviet Government concerning the proper preparations for a Summit meeting.

Following receipt of the Soviet agenda proposals on May 5 the three Ambassadors in interviews on May 28, 31 and June 2 presented in return the Western agenda proposals.¹ They also outlined to Mr. Gromyko a suggested procedure for overcoming the difficulty caused by the fact that the two sets of proposals were widely di-The Western Ambassadors are quite ready to offer comments on the Soviet agenda proposals and to clarify certain points in their own proposals on which the Soviet Government seems to have misconceptions. But the Western Governments cannot agree that the discussions between their Ambassadors and Mr. Gromyko should be based exclusively on the Soviet list any more than they would expect the Soviet Government to agree to base the discussions solely on the Western list. Since the topics in both lists fall under certain general headings, the Western proposal was that preparatory discussion of the individual topics put forward by the two sides should take place within the framework of these general headings. Had this been accepted by the Soviet Government, the Soviet Foreign Minister and the Ambassadors could have proceeded to examine the positions of the various governments on the topics in both lists and establish what subjects

July 21, 1958 95

¹ Bulletin of July 7, 1958, p. 12.

should be submitted for examination by the Heads of Government. Neither side would, during the preparatory stage, have been able to veto the inclusion of any topic for discussion and an opportunity would have been afforded to find some common ground, for later consideration by Heads of Government.

Mr. Gromyko promised an official reply to the above proposal. Instead, however, the Soviet Government has now addressed communications to the Heads of Government of the three Western powers, in the form of your letters of June 11, which repeat the arguments in favor of the Soviet set of proposals of May 5 and criticize some of the Western proposals which it happens not to like. The procedural proposal put forward by the Ambassadors has been ignored altogether.

You allege in your letters that the Western powers by including, as possible subjects of discussion at a meeting of Heads of Government, some of the great political issues that create grave tension are trying to prevent the holding of a Summit meeting. There is no warrant for this allegation. A meeting of Heads of Government would not respond to the hopes and aspirations of mankind if they met under an injunction that seals their lips so that they could not even mention the great political issues that gravely trouble their relations and endanger world peace.

In spite of the arbitrary action of the Soviet Government and its apparent unwillingness to negotiate seriously on concrete points at issue, the Western powers do not propose to abandon hope or to relax their efforts to seek solutions of the major outstanding problems. If the Soviet Government is equally serious in pursuing this goal, it will accept the procedural proposal put forward by the Western powers or advance some equally effective and workable alternative.

Sincerely,

DWIGHT D. EISENHOWER

DEPARTMENT STATEMENT

Press release 331 dated June 16

Mr. Khrushchev's lengthy letter to President Eisenhower comes as a surprise at this time. It is ostensibly designed to speed up the holding of a summit conference, but it comes at the very moment when the Western Powers are awaiting the Soviet Government's reply to a proposal for a procedure for arriving at an agenda. The Western Powers have suggested a procedure for reviewing both the Western and Soviet agenda proposals for the purpose of deciding on their inclusion on the agenda and bringing out possibilities of agreement on them. Soviet agreement to this procedure would contribute much toward carrying out necessary preparatory work for any summit meeting.

We can only conclude that a major purpose of Mr. Khrushchev's letter was to publicize once again the standard positions taken by the Soviet Union on topics it considers should be discussed at a summit meeting.

PREMIER KHRUSHCHEV TO THE PRESIDENT

Official translation

DEAR MR. PRESIDENT: The present situation with respect to the negotiations on the preparation of a summit conference compels me to address this message to you.

Nearly two months have already elapsed since preliminary negotiations through diplomatic channels, proposed by the Western Powers, were initiated on the preparation of the said conference. Some time ago, when the Western Powers brought up the question of preliminary negotiations through diplomatic channels, the Soviet Government expressed serious doubts as to whether such procedure would facilitate the convening of a summit conference. We did not conceal our apprehension that by initiating such negotiations we might find ourselves on a slippery path which would result in delaying the whole matter and postponing the meeting of the heads of government. Nevertheless, the Soviet Government consented to these negotiations, since the Western Powers insisted on such a method of preparing the conference.

Unfortunately, our apprehensions regarding preliminary negotiations are beginning to be borne out. In the matter of preparing the conference we are, as before, marking time, and, as a matter of fact, on a number of questions we are even moving backwards. In such a situation many people, and not only in the Soviet Union, are beginning to ask the question whether the proposal itself for conducting preliminary negotiations of this kind was not calculated to put additional difficulties in the way of convening a summit conference. When the Soviet Government addressed the Government of the USA and the governments of other countries six months ago with an appeal to convene a broad international conference of top government officials, we were guided by the desire to find, through joint efforts, a way toward a radical change in the situation that has developed in international relations. We believed and still believe that at this conference agreement should be reached to ease relations between states, to liquidate the "cold war," to ensure conditions of peaceful coexistence of states, and not to resort to war as a means of resolving outstanding issues. One should not be reconciled to the dangerous direction which the development of relations between states has now taken, especially between the great powers. At the present time, when the destructive power of the weapons that states have at their disposal knows no limits, inaction would be a crime. The time has come for energetic joint intervention on the part of responsible government officials for the purpose of averting a terrible danger, of liberating humanity from the oppressive threat of atomic war, and giving people what they need most of all—lasting peace and confidence in a tomorrow.

In January of this year you, Mr. President, responded to the proposal to call a summit conference and communicated that you were prepared to meet with the leaders of the Soviet Union and other states.² The Governments of the United Kingdom and France likewise responded to this proposal. All of this strengthened our hopes for an early convening of such a conference and was well received by other governments and the peoples of all countries.

Under such conditions it was natural to expect that in the course of preliminary negotiations the parties would strive to submit for consideration at the conference those pressing international problems with regard to which, with the good will of the participants in the negotiations, it would actually be possible to achieve positive results even now and put the international situation on a healthier footing. We still adhere to these views, particularly in connection with preparing the agenda for a summit conference.

I take the liberty of again listing problems which, in the opinion of the Soviet Government, should be considered at this conference. These problems are the following:

Immediate cessation of atomic and hydrogen weapons

Renunciation of the use of all types of atomic, hydrogen, and rocket weapons;

Creation in Central Europe of a zone free of atomic, hydrogen, and rocket weapons;

Conclusion of a nonaggression pact between states; Prohibition of the use of outer space for military purposes, liquidation of foreign military bases in foreign territories, and international cooperation in the study of outer space;

Reduction in the number of foreign troops stationed n the territory of Germany and within the borders of other European states;

Conclusion of a German peace treaty;

Prevention of surprise attack against one state by nother;

Measures to expand international trade relations;

Development of ties and contacts between states;

Cessation of propaganda for war, hostility, and hatred etween peoples;

Ways to ease the tension in the Near and Middle East.

We are putting the question of universal cessation of tomic and hydrogen weapons tests in the forefront. Why are we doing this? For the simple reason that such tests are, even now, in peacetime, poisoning the atmosphere and the soil, contaminating every living thing on earth, having a pernicious effect on the health of human beings, and threatening the life of future generations, not to speak of the fact that these tests are leading to the creation of new and even more destructive types of weapons, the use of which in the event of an outbreak of war would have the most serious consequences for humanity.

An agreement on the cessation of nuclear tests, which ls possible even now, would strengthen trust between states, would contribute to the creation of a peaceful atmosphere, for which the peoples of all countries are so starved, and would be a good beginning which would pave the way toward solution of all major international problems. In striving for the cessation of nuclear weapons tests we have unilaterally ceased testing, although this places us in an unfavorable position as compared to NATO member countries. After all, it is well known that the USA and the United Kingdom have conducted a considerably greater number of experimental explosions of nuclear weapons than the Soviet Union has, and thus an agreement on the cessation of these tests would stabilize the situation to the advantage of the NATO countries. But we are willing to accept this, we are sacrificing our interests, guided by the higher interests of mankind, and we consider that a cessation of nuclear weapons tests by all states would not give rise to distrust but would rather contribute to the achievement of the main goal-to avoid war.

In making the said decision to cease tests we appealed to the USA and the United Kingdom to follow our example. However, much to our distress, the Governments of the USA and of the United Kingdom have not agreed to this and are continuing to carry on explosions of nuclear weapons. In these circumstances we consider it particularly important that this question be urgently discussed at a summit conference.

Likewise, who can deny that reaching agreement on such questions as renunciation of the use of all types of nuclear weapons, conclusion of a nonaggression pact between the parties to the Warsaw Treaty and the North Atlantic Alliance, and creation in Central Europe of a zone free of nuclear and rocket weapons would result in easing international tension and would be an important step toward the solution of the disarmament problem as a whole?

Is it not in the interests of all countries that propaganda for war should cease, a propaganda which in certain states is conducted day in and day out, thus poisoning the relations between states?

And would it not be sensible to discuss such a question as the free development of trade and of other economic relations between states and mutually advantageous ways of considerably broadening such relations? I believe that the business circles in many countries, including the United States of America, would agree that it would be extremely useful to solve this problem. My views on this matter were set forth in greater detail in my letter addressed to you on June 2.

uly 21, 1958 97

² Ibid., Jan. 27, 1958, p. 122.

I believe that I am not mistaken in stating that by now few people could be found who would have the audacity to deny that reaching agreement on the questions proposed by us for consideration at a summit conference would correspond to the vital interests of every country and every people.

As you know, Mr. President, in the proposals handed to your Ambassador in Moscow on May 5 the Soviet Government set forth its views on the questions that might be discussed at the said conference. We did this in order to facilitate reaching agreement to convene the conference. In so doing we also took into account the views expressed by the governments of the Western Powers, primarily by the Government of the USA, in the course of the exchange of opinions concerning the preparation of the meeting. I am enclosing with this message the text of these proposals of the Soviet Government.³

In introducing its proposals for the agenda of a meeting of heads of government, the Soviet Union has stated from the very beginning that it is prepared to consider, with common consent, other proposals as well that would contribute to terminating the "cold war" and the armaments race. On the other hand, I should like to emphasize very definitely that if the Western Powers are not prepared to seek a solution at this time to all the questions proposed by the Soviet Union for discussion at the conference, then some of them could be selected and agreement could be reached on them, which would facilitate our further progress toward strengthening peace.

We expected that the governments of the USA, the United Kingdom, and France would consider the proposals of the Soviet Union with due attention and would determine their attitude toward them, and also that they would, on their part, be concerned with narrowing to the greatest possible extent the gap between the positions of the parties and facilitating the preparation of the conference. However, after studying the documents recently received from the three Powers in reply to the proposals made by the Soviet Government on May 5, we have discovered, to our profound regret, that in these documents questions are again raised which do not bring the possibility of agreement any closer but rather make it more remote and which we have repeatedly and clearly stated to be unacceptable to us. We ask ourselves: why are the governments of the Western Powers acting in this waydoes this possibly reflect a desire to insult us in some way?

Indeed, the so-called question of the situation in Eastern Europe is again raised in the proposals of the Western Powers that have been transmitted. A new attempt is thus made to return to a stage through which we have

³ The enclosure was the Soviet memorandum of May 5 (for text, see *ibid.*, July 7, 1958, p. 17) with the addition of a final paragraph which reads as follows:

already passed and to impose discussion of a matter with regard to which the positions of the parties have long been exhaustively clarified. The Government of the USA knows very well that this is no subject for discussion. We have already repeatedly stated that we regard it inadmissible to raise such a question at an international conference. The Soviet Union does not intend to interfere in the internal affairs of other sovereign states and is of the opinion that no one can claim the right to such interference.

It is not difficult to imagine what an absurd situation the world would be in if at international conferences we started to bring up problems concerning the internal systems of states which were somehow not to the taste of certain people in other countries. Any rapprochement between states is out of the question if we engaged in discussions of the fundamental differences existing between social systems. Is this the path toward lessening international tension? To insist on interfering in the affairs of other states, on discussions of their internal affairs by third countries having no authority whatever to do so, means starting on a course of gross violation of the UN Charter, which prohibits such interference; it means mocking the principles of the United Nations.

The absolutely fictitious nature of the very talk about the so-called "tension in Eastern Europe," by which they attempt to justify the demand for including this question in the agenda for the conference, is also obvious. The Soviet Union has diplomatic relations with all the countries of Eastern Europe and maintains the most active relations with them. And I must say that we know of no signs of any kind of "tension" in this area. If the Government of the USA has any lack of clarity with regard to the situation in these countries, it also has ambassadors in almost all of these countries and nothing prevents it from elucidating matters of interest to it through normal diplomatic channels. And if we are to speak frankly, anyone who has the slightest knowledge of the present international situation knows full well that the tension endangering the cause of peace is to be sought in entirely different directions.

If the governments of the Western Powers, which know full well the point of view of the Soviet Union and of the people's democracies themselves concerning this question, still consider it possible to propose it again for consideration at the conference, can this be understood as being anything other than proof of an intention to bury in its very embryo stage the conference with the participation of the heads of government?

It is also impossible to give any other appraisal to the desire of the three Western Powers to impose consideration of the problem of the unification of Germany at the conference with the participation of the heads of government. And in this case, as the Soviet Government has already repeatedly had occasion to bring to the attention of the Government of the USA, it is a question of a problem which does not come within the competence of an international conference. It seems to us that it should have been recognized long ago as an indisputable truth that under present conditions the unification of Germany can be brought about solely as the result of

[&]quot;The Soviet Government is convineed that good will and readiness to seek mutually acceptable solutions, with due regard for the interest of the parties concerned, can ensure the success of a summit conference and can cause the necessary shift in the development of the international situation in the interest of strengthening peace among nations."

the efforts of the two sovereign states now existing on German territory. The GDR and the FRG can, given the desire on both sides, reach agreement between themselves much more easily without the interference of third countries. After all, the Germans in the East and in the West of Germany speak one and the same language; they will not even need interpreters for their negotiations, not to mention foreign guardians who would decide for the Germans questions concerning the destiny of the German people.

As is well known, even the Government of the FRG has stated that discussion of the problem of the unification of Germany should not be considered as a condition for convening a summit conference. Apparently it is not inclined to assume the heavy responsibility of frustrating a conference the convening of which has been long awaited by the peoples of the world. Should the position of the three Western Powers be understood to mean that they are prepared to assume such a responsibility, and are they not using the question of the unification of Germany as a means of creating additional difficulties for an agreement on convening a summit conference?

In the proposals of the Western Powers there have been set forth considerations concerning the matter of European security. The importance of this problem at this time is of course indisputable. A great deal must and can be done to strengthen peace in Europe and to lessen the danger of a war breaking out on the European continent. But what proposals are made to us in this matter?

If we are to speak frankly—and I think that only under conditions of complete frankness can our exchange of opinions be really useful—the sense of these proposals, which are presented as a plan for strengthening European security, amounts to the following: the Western Powers desire to draw all Germany into their military grouping and wish to reassure the peoples of Europe by statements concerning the furnishing of "guarantees."

As long ago as our meeting in Geneva we called attention to the fact that the proposal concerning some sort of guarantees for the Soviet Union was strange, to say the least. It is a known fact that guarantees are usually given by a strong state (or states) to a weak state. In this connection the basic premise is the inequality of strength, and a strong state determines the conditions with respect to the weak state. A state to which guaranees are given is made dependent on the state which gives these guarantees. History contains many examples where a state that had given guarantees violated its obligations and thereby created a situation where there was no way out for the state to which the guarantees had been given. You will agree, Mr. President, that the Soviet Union is not a weak state and that, consequently, t needs no guarantees, since it is able to defend its nterests itself. Thus the conditions which would justify he very raising of the question of guarantees are lacking n this particular case. Behind the raising of the quesion of guarantees as applied to the USSR there is briously the desire to place our state in a position that vould be unequal with regard to other states, which in tself demonstrates how unfounded this desire is.

It would be a different matter if the Great Powers, including the USSR, should assume mutual guarantees and consequently accept such a solution of the problem as would not place any of the Powers in an unequal or even humiliating position. But the conclusion of a nonaggression pact, the tremendous significance of which cannot be denied if the situation is evaluated objectively, would satisfy this requirement of mutual guarantees.

The artificial nature of this entire proposal for "guarantees" to the Soviet Union becomes particularly clear if account is taken of the fact that the powers occupying the command position in the North Atlantic military grouping, the entire activity of which is dominated by military preparations against the Soviet Union and the countries friendly to it, are the ones who are proposing that they assume the role of the guarantors. Thus "security guarantees" are proposed to us on the part of a bloe of countries which are constantly forging the instruments of war, the military leaders of which make appeals almost daily for atomic war against the Soviet Union, and the propaganda machinery of which constantly fans the feelings of war hysteria. Perhaps there are people who tend to close their eyes to reality and to rely on reassuring words, but we do not belong to this eategory. I do not doubt even for a minute that under similar circumstances the Government of the USA would take the same position.

It is our firm conviction that the task with regard to the question of European security does not consist in advancing some sort of "guarantees" for the Soviet Union, guarantees that are not needed by it, but rather in ensuring the security of all European nations and in creating a situation where Europe could not again become the arena of a new war.

It is the achievement of this goal that would be furthered by the creation in Central Europe, as proposed hy the Government of the Polish People's Republic,4 of a zone free of nuclear and rocket weapons and also by a reduction, with the establishment of appropriate mutual control, in the number of foreign troops stationed in the territories of European states, primarily in Germany. The implementation of these measures would not violate the interests of any state. On the contrary it would sharply reduce the possibility of an outbreak of atomic war in an area where now huge masses of armed forces and armaments of the opposing groupings of states are concentrated in immediate proximity to each other. The creation of the said zone in one area could gradually lead to such zones also coming into being in other places, and an ever-increasing portion of the territory of the globe would be excluded from the sphere of preparations for atomic war. The risk of peoples being involved in such war would thereby be diminished.

We believe that such a question as the conclusion of a nonaggression pact between states parties to the Warsaw Treaty and states parties to the North Atlantic Alliance was long ago ready for decision. The conclusion of such a pact, the significance of which was also emphasized by Mr. Macmillan, Prime Minister of the United Kingdom, would in no way violate the existing

For background, see *ibid.*, May 19, 1958, p. 821.

relationship of forces between the two groupings, and would at the same time be tremendously beneficial. The element of stability and reassurance that is so necessary would be injected into the entire international situation. Nations would see that the most powerful states from a military standpoint have achieved agreement among themselves and do not want war. Need it be said that the threat of war would immediately be reduced, since it is absolutely clear that a new military conflagration in Europe, and not only in Europe, under present conditions can occur solely as a result of a conflict between the two main groupings of powers.

In this connection 1 should like to recall that, since the date of the transmittal on May 5 of the proposals of the Soviet Government, the question of concluding a nonaggression pact was considered at a conference of countries parties to the Warsaw Treaty, which developed a draft of such a pact and addressed the countries members of NATO with a joint proposal on this matter.⁵ The Soviet Government expresses the hope that the Government of the USA will consider the said draft and communicate its views thereon.

In the proposals of the governments of the USA, the United Kingdom, and France, as well as in the proposals of the Soviet Government, other questions are raised pertaining to disarmament. We believe that such questions deserve serious attention. However, considering the experience of long negotiations in the Subcommittee of the UN Disarmament Commission, concerning which we have already had occasion to set forth our point of view, we doubt that these questions in the form in which they are presented in the present proposals of the Western Powers are being advanced in order really to achieve a concerted solution thereof, or to reach an agreement on complete disarmament, or to implement even the initial measures such as the cessation of nuclear weapons tests, etc.

Why do we express such doubts and lack of confidence? It is because the Western Powers, those same powers that took part in the UN Subcommittee on Disarmament and in fact represented NATO there, after receiving our concrete proposals on urgent measures for disarmament, have actually failed to give us a reply to these proposals. They again repeat their previous proposals, arguing that the problem of disarmament can only be solved as a whole, so to speak. In this way they are attempting to force the issue back to the old course which was not productive and to renew futile discussions of the problem of disarmament "as a whole."

Such a discussion, more accurately described as a dispute, concerning the problem of disarmament, has continued for over 13 years behind closed doors. Actually no negotiations were conducted; this was merely a deception of public opinion, where illusions were created as if the matter of disarmament were moving forward, but in reality not a single practical problem of disarmament was settled. Moreover, under the cover of these disarmament negotiations the Western Powers started an unprecedented armaments race. This is why the Soviet Union has refused to take part in the work of the Disarmament Commission, and we shall not take part in it

as long as the NATO countries insist on their demands, absolutely unacceptable principles as regards the approach to the problem of disarmament.

The Government of the USA well knows that the Soviet Union has been and remains an advocate of a radical solution of the problem of disarmament. It has repeatedly proposed to the Western Powers that agreement be reached on an all-embracing program of disarmament, including a considerable reduction in armed forces and armaments, the prohibition of atomic and hydrogen weapons, and appropriate measures of international control. However, the Western Powers have not manifested the desire to reach agreement on such broad measures of disarmament.

If we have not succeeded in the course of 13 years in reaching agreement on the problem of disarmament "as a whole," with the solution of certain problems linked with the solution of others, then can it be expected that with such an approach this problem can be settled in the course of a few days at a conference of heads of government? Is it not obvious that the only realistic method is to single out and solve in the first instance those problems which have already become ripe for settlement and then proceed to the solution of the most complicated problems. This is what the Soviet Union proposes.

The Soviet Government has considered and still considers it to be its duty to do everything possible to promote the speediest possible solution of the disarmament problem. We were guided by this goal when we were recently adopting the decisions to reduce substantially our military forces and to cease unilaterally the testing of all types of atomic and hydrogen weapons in the Soviet Union. Desiring to expedite the reaching of an agreement on a universal cessation of such tests, the Soviet Government met the desires of the governments of the USA and the United Kingdom to designate experts to study the methods of detecting possible violations of an agreement on the cessation of nuclear tests.

We hope that this new step of the Soviet Union will be duly appraised by the Western Powers and that, as a result, a more favorable atmosphere will be created which would promote the convening of a summit conference at the earliest possible date.

Mr. President, I believe that the time has come to clarify thoroughly and with complete sincerity the positions of the parties with regard to the maia question: Do all the parties really wish a summit conference to be convened? I must say that the documents transmitted to us by the Western Powers have evoked serious doubts on our part in this connection. It is difficult to escape the thought that the authors of the proposals set forth in these documents were guided not by the desire to find a solution that would be the most acceptable to all parties but rather were searching for questions for the solution of which the time is not yet ripe, so as to be able to say later that they were right in predicting the failure of a conference of heads of government.

It was all of this that compelled us to address you with this letter. We should like to know definitely whether the governments of the Western Powers have serious intentions with regard to organizing a summit

⁵ Not printed.

conference and conducting negotiations the results of which are awaited literally by all mankind, or whether there is a desire to lull the attention of the peoples, to create an impression that contacts have been established and negotiations are being conducted, and to raise in reality questions which not only lead to a failure of preparations for the meeting but also to no summit conference as such taking place, so as to accuse our country later of "obstinacy." Such a tactic is very well known to us from the experience of certain previous negotiations.

The Soviet Government has most closely examined the views concerning the possible agenda of a summit conference as set forth in your messages, Mr. President. We have expressed our opinion in detail on these proposals and have stated that a number of questions among those proposed by the Western Powers are regarded by us as acceptable for discussion.

We are also prepared to consider the question of methods of strengthening the United Nations, which has been touched upon in the correspondence between our two governments, because we also have something to say in this connection.

Mr. President, I have presented to you with complete sincerity my views with regard to the present situation concerning the preparations for a conference at the summit. In this situation the responsibility that is devolving upon the governments of the Great Powers is particularly great. In order to understand the whole depth of this responsibility it suffices to imagine how distressed all the peoples would be if we should fail to find a common language. No one would be able to understand and instify such government officials as cannot agree even on how to begin negotiations among themselves while the world is seized with the fever of an ever-intensifying armaments race and at a time when there is no corner left where human beings are free from the oppressive fear of the threat of a new military eruption.

We are convinced that through joint efforts of states, and primarily through joint efforts of the United States of America and the Soviet Union, it is entirely possible to achieve a radical improvement in the international situation. An important step in this direction could be a meeting of top government officials with the participation of heads of government. We express the hope that the Government of the United States of America will conslder this message with due attention and will on its part take all the necessary steps in order not to allow frustration of a high-level conference and to clear from the path of such a conference the obstacles that are being artificially created.

Simultaneously I am sending messages on this question to the Prime Minister of the United Kingdom and to the President of the Council of Ministers of France.

With sincere respect,

N. Khrushchev

June 11, 1958

[Initialed] S.R.S.

His Excellency

DWIGHT D. EISENHOWER.

President of the United States of America, Washington, D.C.

⁵ Bulletin of July 14, 1958, p. 47.

Geneva Technical Talks

Following is an exchange of aide memoire between the United States and Soviet Governments, together with the texts of Soviet aide memoire of June 24 designating the panel participants from Czechoslovakia, Poland, and Rumania.

U.S. AIDE MEMOIRE, JUNE 30 1

Press release 364 dated June 30

The Government of the United States of America notes with satisfaction the position of the Soviet Government in its aide memoire of June 28 that decision on cessation of tests of nuclear weapons must be taken by Governments themselves and not by experts. The task of the experts who are to meet in Geneva beginning July 1, as agreed by the Soviet Government in its aide memoire of June 24, has been clearly defined in the preceding correspondence between our Governments; it is to study methods of detection of possible violations of an agreement on the cessation of nuclear tests.

The position of the Government of the United States has been clearly and unequivocally expressed from the time of its initial proposal. In his letter of April 28,2 President Eisenhower proposed to Chairman Khrushchev that technical people start to work immediately upon the practical problems of supervision and control which are indispensable to dependable disarmament agreements, and stated that:

I re-emphasize that these studies are without prejudice to our respective positions on the timing and interdependence of various aspects of disarmament.

It was in reply to this letter that Chairman Khrushchev on May 93 stated that the Soviet Government agreed to having both sides designate experts for the study which is now about to begin.

SOVIET AIDE MEMOIRE, JUNE 28 4

Official translation

The Soviet Government confirms that the question put in its aide memoire of June 25 about whether the Gov-

¹ Delivered on June 30 by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs.

² BULLETIN of May 19, 1958, p. 811.

³ Ibid., June 9, 1958, p. 940.

^{&#}x27;Handed to American Ambassador Llewellyn E. Thompson at Moscow by Soviet Minister of Foreign Affairs Andrei A. Gromyko on June 28.

ernment of the USA confirms that meetings of experts must be subordinated to resolution of the task of universal and immediate cessation of tests of nuclear weapons, has remained without answer, and clarification regarding the position of the USA on this question has not been given.

It is apparent from the letter of June 26 of the Ambassador of the USA, Mr. Thompson, to the Minister of Foreign Affairs of the USSR, A. A. Gromyko, that the Government of the USA has dodged the statement of its position on the main question, to wit, what purpose must conference of experts serve.

When the Government of the USA came forth with the proposal that technical specialists of the USA, USSR, and other countries should agree on means of detecting nuclear explosions, this proposal was made, as directly follows from the correspondence, so as to achieve resolution of main task—cessation by all states possessing nuclear weapons of tests of these weapons, and a meeting of experts was proposed so as to work out a formula which would guarantee observation of how agreement on cessation of tests of nuclear weapons was being carried out.

However, from a declaration of the Secretary of State of USA, Mr. Dulles, of June 17,° it follows that the Government of the USA does not wish to take on itself the pledge that a meeting of experts be subordinated to a resolution of the task of universal and immediate cessation of tests of nuclear weapons.

In its aide memoire of June 25, Soviet Government already expressed its reaction to this statement of the Secretary of State of the USA. It considers it essential to declare again that if the conference of experts is not tied with the main task, solution of which it must ensure, i. e., with immediate, universal cessation of nuclear experiments, then such a conference will be an empty waste of time and can only lead to deception of peoples.

It goes without saying that decision on cessation of tests of nuclear weapons must be taken by the Governments themselves and not by experts, whose task is preparation of necessary conditions of control for observance of agreement on cessation of tests. However, in connection with the beginning of work of conference of experts, full and clear understanding regarding purposes of this conference must be achieved between Governments.

The Soviet Government would wish to hope that the Government of the USA will make an unequivocal statement in this regard.

SOVIET AIDE MEMOIRE, JUNE 247

Press release 351 dated June 25

The Soviet Government notes that agreement has been reached between the sides regarding the fact that the

conference of experts for determining means of disclosing nuclear explosions will start its work on July 1 in Geneva, and also concerning the length of work of that conference.

As far as the composition of participants of the conference is concerned, the assertion contained in the aidememoire of the Government of the United States of America of June 20 8 that on the Soviet side there is allegedly taking place some kind of a withdrawal from the understanding reached on this question cannot but cause surprise. The Soviet Government without change adheres to the position set forth in the communications of May 9 and 30° of the Chairman of the Council of Ministers of the USSR, N. S. Khrushchev, to the President of the United States of America, Eisenhower, in accordance with which, besides experts of the USSR and the United States of America in the conference, experts from other countries, who possess good knowledge in the field of disclosing nuclear tests, can take part on both sides. In its previous documents the Government of the United States of America did not raise any objection to this. The Soviet Government hopes that the aide-memoire of June 20 does not mean that the Government of the United States of America has changed its point of view ou this question.

The Soviet side has already communicated the agreement that, in the conference of experts, representatives of Great Britain and France should also participate along-side the representatives of the United States of America. There is also no objection to the participation of the representative of Canada, as communicated in the aide-memoire of the Government of the United States of America of June 20.

The composition of the participants of the conference from the Soviet Union was already communicated to the Government of the United States of America in the aidememoire of June 13.8 By agreement with the governments of the Polish People's Republic and the Czechoslovak Republic there is communicated below the list of experts designated by the governments of the said countries for participation in the conference.

From the Polish People's Republic:

Mariau Mensovich—Professor, Doctor, Chairman of Physics Commission of Polish Academy of Sciences for Peaceful Use of Nuclear Energy; Leopold Yurkevich—Professor, Doctor, Chairman of Commission for Study of Contamination of Atmosphere of All-Polish Committee of Radiological Defense; Mechislav Blyushtain—Doctor, Chief of Department of International Organizations MFA [Ministry of Foreign Affairs] PPR.

From Czechoslovak Republic:

Engineer Shimane Chestmir, Director of Institute of Nuclear Physics of Czechoslovak Academy of Sciences; Professor Begounek Frantishek, Corresponding Member of Czechoslovak Academy of Sciences, Chief of Dozimetric Section of Institute of Nuclear Physics of Czechoslovak Academy of Sciences; Professor Zatopek Alois,

⁶ For a transcript of Secretary Dulles' news conference of June 17, see *ibid.*, July 7, 1958, p. 6.

⁷ Handed to the American Ambassador at Moscow by the Soviet Minister of Foreign Affairs on June 24.

⁸ Bulletin of July 7, 1958, p. 11.

⁹ Ibid., June 30, 1958, p. 1083.

Corresponding Member of Czechoslovak Academy of Sciences, Chief of Geophysical Bureau of Physical-Mathematics Faculty of Charles University; Trglik Zdenek, Chief of International Section of Ministry of Foreign Affairs of Czechoslovak Republic.

In the conference there will also take part an expert named by the Government of the Rumanian People's Republic, name and other data concerning whom will be communicated subsequently.

The Soviet Government as before proceeds from the fact that work of the conference of experts should aid in the most rapid cessation of tests of atomic and hydrogen weapons by all states disposing of such weapons.

SUPPLEMENTAL SOVIET AIDE MEMOIRE, JUNE 24 10

Official translation

In supplement to Aide-Memoire of the Soviet Government to the Government of USA of June 24, 1958, it is communicated that the Government of Rumanian People's Republic has named for participation in the conference of experts for determining means of disclosing nuclear explosions Doctor of Physics, Professor Horia Hulubei—member of the Academy of Sciences of the Rumanian People's Republic and Director of the Institute of Atomic Physics of said Academy of Sciences.

Free-World Cooperation and America's Security

Statement by President Eisenhower¹

I have a special statement to make on America's security and on waging peace.

The free nations of the world are under constant attack by international communism. This attack is planned on a broad front and carefully directed. Its ultimate goal is world domination.

Against the pressures of international communism, free-world security can be achieved only by a practical solidarity of opposition by the nations each, according to its ability, earrying its necessary portion of the entire burden.

This is what mutual security really means.

To support this program, started a decade ago, the American people have given needed assistance to others. As a direct consequence, during recent years the free world has been able to deny any new territorial expansion to communism.

In spite of occasional human errors in administering the details of the program, the overall

Delivered to the American Embassy at Moscow on June 25 by the Soviet Ministry of Foreign Affairs. results speak for themselves. The aggressive purposes of the Kremlin have been foiled, and there has been gradually developed in the free world a greater spiritual, economic, and military strength as a foundation for efforts to win a just peace.

Now, needed financial reserves have sunk below the safe minimum. In spite of this danger signal, the House Appropriations Committee has taken action that seriously endangers our security.² We need more ammunition to wage the peace.

A careful estimate of this year's needs was made after prolonged study. It fixed the necessary total at approximately \$3.9 billion. The sum proposed by the Appropriations Committee is more than 20 percent lower than the estimate.

This is taking reckless risks with our safety.

The cut will dismay our friends in Latin America, in Asia, in Africa, and in the Middle East—every nation that is standing at our side in this worldwide effort.

It is my deep conviction that reductions of a size contemplated by the committee will have grave consequences in portions of the free world and to our Nation's security—and will encourage Communist imperialists. Our people must understand this.

Regardless of the many and mounting billions that we spend for our own military forces, those forces cannot alone achieve our security. Friendly nations must be ready and able to stand by our side to present a solid front in the defense of freedom.

We have this choice:

Stand up and be counted, live up to our ideals and purposes, and assume the responsibilities that are ours;

Or shrug our shoulders, say that freedom for others has no significance for us, is therefore no responsibility of ours, and so let international communism gain the ultimate victory.

The choice is clear for me.

I stand for American security, to be attained and sustained by cooperation with our friends of the free world. I am certain the American people will demand nothing less.

¹Read to correspondents at the President's news conference on July 2 (White House press release).

² On June 27 the House Committee on Appropriations recommended a reduction of \$872 million from the President's budget request for the mutual security program for fiscal year 1959.

Secretary Dulles' News Conference of July 1

Press release 372 dated July 1

Secretary Dulles: I should like to make a brief opening statement.

I have just come from a meeting with the President and others at the White House. I said there that the House Appropriations Committee action on mutual security funds is a grave threat to the security of the United States.² These funds are the ammunition on which we depend to win the cold war that the Communists are waging with increased intensity. They are conducting economic, subversive campaigns against the free countries of the Americas, of Asia, and of Africa. We cannot fight this battle successfully without adequate ammunition, and, if the House committee action stands, it will doom the free world to grave losses. I cannot overestimate the importance of correcting that action.

Now for your questions.

- Q. Mr. Secretary, is there anything firm on Milton Eisenhower's trip to Central America?
- A. I think that no dates have yet been agreed on.
- Q. Mr. Secretary, do you have in mind any new actions to try to obtain the release of a number of citizens held in Cuba?
- A. I believe that certain efforts are being made on an informal basis to obtain the release of Americans: also, some Canadians are included among those who have been kidnaped. We hope that those efforts will be successful. It is hard to understand exactly why these kidnapings are taking place or what gain can be expected from such conduct, and we hope very much that it will be reversed.
- Q. Mr. Secretary, have Mr. Hammarskjold's reports indicated that there is less urgency about

the crisis in Lebanon than seemed the case before he went there?

- A. I think that the Secretary-General feels that the action which has been taken and is being taken pursuant to the Security Council resolution is having the effect of slowing up at least, perhaps stopping, the movement of materiel and personnel across the border from the UAR [United Arab Republic]—Syrian part of it—and that may be the case. He is in a better position to judge than we are. Of course it is pretty evident that a very large amount of support has already been acquired by the rebels within Lebanon, so that the situation is not corrected merely by stopping the current flow. It would help. It can be eased by that, but it isn't wholly corrected.
- Q. Mr. Secretary, there seems to be a movement for a new inter-American conference. Brazil appears to favor a review of inter-American policies on the highest level, and some other Latin Americans seem to favor a foreign ministers' conference. Will you tell us which you prefer?
- A. I would say that we take the same position, I suppose, as regards the meeting of heads of government with the American Republics as we do with a meeting of heads of government for any other purpose, whether it be with the Soviets at Geneva or whether it be at NATO, namely, that a meeting of heads of government has to be well prepared if it is to produce any substantial results. Merely a meeting on a get-together basis of heads of government would not serve, I think, what we all would want to see accomplished by such a meeting. We had such a meeting in Panama.4 It did set in motion certain actions, headed up by Dr. [Milton] Eisenhower from the standpoint of the United States, and it produced certain results. But the meeting itself did not

¹The following paragraph was also released separately as press release 369 dated July 1.

² For background, see p. 103, footnote 2.

³ Bulletin of July 14, 1958, p. 90.

⁴ For background, see *ibid.*, Aug. 6, 1956, p. 219, and Oct. 1, 1956, p. 511.

produce great results in terms of its specific accomplishments. It was not intended to.

Now, if it is intended to have a meeting of the representatives of the American Republics which is calculated to produce some substantial results, it would have to be carefully prepared in advance. I think that the position in that respect of the United States is quite clear, reasonable, and understood, but I do not think it will be an obstacle to working out a program for getting some better understandings as between the American Republics.

Q. Mr. Secretary, do you expect any special results on the visit to Canada?

A. I think that the meeting will have some useful results. It is being pretty carefully prepared in advance. Of course the background of these meetings is the fact that we have meetings of those ministers of our different countries who are occupied primarily with matters of common concern—the Foreign Ministers (the Secretary of State, in the case of the United States), the Secretaries of Defense, the Secretaries of Commerce, and the Secretaries of Agriculture. We meet normally on a basis of twice a year and discuss our common problems and that gives us a preparatory basis upon which to have such a meeting as we contemplate having in Ottawa next week.

Circumstances Governing Assistance to Lebanon

Q. Mr. Secretary, Mr. Chamoun of Lebanon is quoted this morning as saying that, if the United Nations action fails, he would appeal to friends of Lebanon and the West for direct military assistance under article 51 of the United Nations Charter. Could you define for us under what circumstances the United States would be willing to render direct military assistance to Lebanon?

A. I will make a reply to your question, although I am not going to attempt to define in detail all the circumstances under which we might respond. I would say this: The normal way to deal with these problems is through the processes of the United Nations, and the Government of Lebanon initiated such a process when it took its case to the Security Council and obtained the resolution for observation under which the Secretary-General is now acting and under which. I believe, some results at least are being obtained.

Now we have never believed that you could only

act under such processes; indeed, article 51 was put into the charter to meet the contingency that it might be impractical, because of the veto power or otherwise, to obtain appropriate action from the United Nations. Article 51, as you will recall, talks about collective defense if an armed attack occurs. Now we do not think that the words "armed attack" preclude treating as such an armed revolution which is fomented from abroad, aided and assisted from abroad. Indeed you will recall perhaps in the report on the North Atlantic Treaty that the Senate Foreign Relations Committee indicated that that kind of a civil disturbance could be treated as an armed attack. In our Japanese security treaty that is expressly spelled out. However, we believe that the best way to deal with these things is through the processes of the United Nations. We do not think it is proper yet to conclude that those processes have failed or will fail. If and when we had to reach that conclusion, then there would be a new situation which we would have to deal with in the light of the new circumstances at the time.

Q. Mr. Secretary, have the United Nations observers in Lebanon any authority or power to halt, to arrest, to seize or to otherwise physically interfere with the infiltrations?

A. No. They are there to observe and to report. It is believed that the very fact that they are there in that capacity will have a practical effect in stopping movements across the border. Of course that is somewhat diminished by the fact that the borders are not readily accessible at the present time, and it is hard to know just exactly what is going on. But to answer your precise question—it is not my understanding that the present force there is in any sense a police force where they use armed force. That may be a second stage.

Q. Mr. Secretary, the Lebanese Government, through Mr. Chamoun and through its Foreign Minister, has in a variety of eases said it would be desirable for the United Nations to put enough people into Lebanon to seal off the border. What is our view toward such an operation?

A. I doubt whether it is practical to carry on an operation of that magnitude, and I think that perhaps that is not required. But I would not want to pass any final judgment on that until I saw what kind of case the Government of Lebanon

could make if they were to make such a request of the Security Council. So far they haven't made it, and I would not want to prejudge our action before we knew just what kind of case they could make out.

Q. Mr. Secretary, keeping in mind the role we played in discouraging, at least, the invasion of Sucz, is it realistic to think that we would participate in any kind of military intervention in Lebanon except under the most extreme circumstances?

A. I don't think that there is any analogy whatsoever between the situation in Lebanon, where
the lawful Government is calling for assistance,
and the Suez case, where the armed intervention
was against the will of the Government concerned.
There is no parallel whatever between the two
cases. We do believe that the presence in Lebanon
of foreign troops, however justifiable—and it is
thoroughly justifiable from a legal and international-law standpoint—is not as good a solution
as for the Lebanese to find a solution themselves.
It would be, as you put it, a sort of measure of
last resort.

Geneva Technical Talks

Q. Mr. Secretary, the Russians have sent some rather highly placed political officers to the Geneva technical talks.⁵ Could you tell us what effect you think their presence will have on those talks, assuming that they are there to take part in the negotiations and discussions?

A. Their presence could alter the character of the talks and perhaps alter them to such a degree that it would raise a question as to whether the talks were accomplishing their intended purpose. As has been "agreed"—when you are dealing with the Soviets, you have to put that word in quotation marks—the talks are purely technical. Experts are to ascertain some facts which are of a scientific character. So far as I am aware, there are no politics involved in it at all. No politics that I am aware of are involved in trying to agree, from the scientific standpoint, as to where you would have to have observation posts and what kind of observation posts would be required to detect an explosion of a given degree of magni-

tude. That is the kind of thing which they are supposed to be studying, and I don't think there should be any politics in it.

Now if that is sought to be changed and the experts' meeting is made into a political conference, then the whole character of the meeting would be altered from what has been agreed upon. We would have to figure out then what we would do.

Q. Would the United States send political officers of higher rank over to match or counter the presence of the Soviets there?

A. Well, I don't want to presume that this contingency is going to arise, nor would I want now to say whether the response would be to accept a political talk or to reject the change from what we had agreed upon. We could adopt either course.

Q. Which of the two conferences do you think the Russians rate the more important—the Geneva conference or the forthcoming Partisans of Peace Conference in Stockholm on July 16?

A. They seem to show more enthusiasm about the latter.

Talks With Communist China on Release of American Prisoners

Q. Mr. Secretary, does the United States intend to continue talks with Communist China to secure the release of the four remaining Americans that they hold?

A. We certainly intend to continue by all available peaceful means to try to get those four, that are still held, released. They are held in violation of the agreement made some 2½ years ago. We have not by any means given up either hope or the determination to get them out.

 $Q.\ What\ is\ delaying\ the\ appointment\ of\ an\ ambassador\ to\ deal\ with\ Mr.\ Wang?$

A. At the moment what is delaying it has been the Chinese Communist blast of yesterday.⁶ A

⁵ For a list of participants on the Soviet side, see p. 102, and BULLETIN of July 7, 1958, p. 11.

On June 30 the Chinese Communists released a lengthy statement charging, *inter alia*, that the United States had been sabotaging the ambassadorial talks at Geneva and declaring that, unless the United States appointed within 15 days an ambassador to resume the talks which had been suspended since December 12, 1957, the Chinese Communists would regard the talks as broken off by the United States.

memorandum on the subject was actually in process of delivery, dealing with a possible shift of the locale of these talks from Geneva to Warsaw. I think and believe that we shall continue to carry out that inquiry, which, as I say, had been prepared and was en route prior to receiving this note of yesterday. We do not intend to be bound by the 15-day ultimatum which is included in the Chinese Communist statement.

Q. Mr. Secretary, does that mean that the United States Ambassador at Warsaw will be designated to continue the talks?

A. Presumably, if Warsaw is regarded as an acceptable place.

Q. Mr. Secretary, section 15 of the new immigration law authorizes the issuance of 14,556 special nonquota visas to fugitives from Communist areas in the Middle East. According to a New York Times report by Homer Bigart some time ago, up to May 1 only 24 persons have received visas out of about 10,000 who applied. Applications started around January 1. It is said that the administration's responsibility for the program rests with the State Department's Office of Refugee and Migration Affairs. Would you comment on this delay?

A. I think the delay is due to unavoidable procedures that are required. I think the situation is, in fact, today in much better shape than that report would indicate. I remember looking into it some time ago, and I was told at that time that most of the red tape, if you want to call it that, was behind us and that pretty rapid progress would be made. Now I haven't checked up today on the figures, but I think you will find the situation much better than was portrayed at that time.

Effect of Cuts in Mutual Security Funds

Q. Mr. Secretary, at the outset of the news conference you talked rather forcefully about the effect of the House committee action with respect to the MSA funds. Can you tell us what the President or the administration intends to do to try to overcome this setback?

A. I think that what we can do, will do, are doing, is to make clear to the Members of Congress and to the country that these cuts will seriously affect the security of the United States. I think, if that's realized, that action will be taken

to undo the cuts because I know that all the Members of Congress are honest, patriotic people. I think that they sometimes are a little bit slow about seeing the light, and we are going to try to make some more light during the next few days. (Laughter)

Q. How do you intend to do that, Mr. Secretary? Will the President go on radio or television or buttonhole Congressmen or anything like that?

A. The program of action was not fully decided upon at the time I left the White House conference to get back to prepare for this press conference, so I can't tell you that. You will probably find it out from Mr. Hagerty. But there is, I think, going to be some action along the lines you suggest.

Problem of Increasing Informational Exchanges With Soviets

Q. Mr. Secretary, CBS's Frank Stanton has sent a cable to Premier Khrushehev protesting Moscow's refusal to permit the return of correspondent Dan Schorr to his post in Moscow. This scems to correspond with the increasing Soviet eensorship—a situation that Mr. Berding called attention to in his speech last week. In view of this would you comment on this situation, particularly in view of the Soviets' professed desire to increase exchange of information with the United States?

A. I am not aware that they professed a great desire to exchange information with the United States. As a matter of fact, whenever we have these talks about exchanges, they always put the emphasis upon economic exchange, technical exchange, and try to keep as far as possible away from exchanges of information. We have to keep the pressure on to get any discussions at all about exchanges of information, and they are very allergic to it.

Now we have extracted from them—not very readily—we have extracted from them some professions of interest in this field. But I believe that the reality is that they are very much afraid of their people getting information of an intellectual, informative character from outside and they are concerned also about our getting information.

⁷ Bulletin of July 14, 1958, p. 55.

U.S. Urges Soviet Action on Release of Helicopter Crew and Passengers

Press release 370 dated July 1

Following is the text of an aide memoire handed on July 1 by Deputy Under Secretary Robert Murphy to Soviet Chargé d'Affaires Sergei R. Striganov concerning the continued detention of American citizens in the Soviet Zone of Germany.

On June 20, 1958, the Department of State brought to the urgent attention of the Soviet Embassy the prolonged and unjustifiable detention of the crew and passengers of a United States Army helicopter in the Soviet Zone of Germany. The Department of State urged that the Soviet military authorities in Germany be instructed to assure the prompt return of the men and the aircraft to United States control in accordance with agreements and arrangements of long standing. An aide-memoire on this subject was handed to the Soviet Chargé d'Affaires ad interim.

In the meantime, the Soviet military authorities in Germany have not only failed to take action to effect the return of the men and the aircraft but have also been unwilling to assist the United States military authorities in sending personal mail, elothing, and other supplies to the men.

The Department of State inquires urgently what action the Soviet Government has taken or may contemplate in response to the above mentioned representations. The detention of the United States military personnel in question involves a serious disregard by the Union of Soviet Socialist Republics of its responsibilities under agreements with the United States. It is requested that arrangements for the release of the men and the aircraft be made immediately.

mation about the true conditions inside. So, to wear down their reluctance in those respects is a difficult, slow process. But we will keep hammering away at it. I think it is deplorable that this particular action should have been taken. It emphasizes again that, even though under pressures from us they say at times that they want to have these exchanges, in fact, in their detailed day-to-day action they do all that they can to make it very difficult to have adequate exchange of information.

I am very regretful of the fact that, under the different systems which prevail in our two coun-

tries, we are not in a very good trading position. Our radio-television companies, quite naturally and properly, take whatever they think is of news value, informative to the American people, and the Russians get that for nothing. So we are not in a very good position to trade. But we are pressing them hard on the reverse aspects of some of this exchange-of-information business.

- Q. How do you account, Mr. Secretary, for the apparent difference between our approach to this situation and that of our British ally, which has just recently rejected such an agreement with the Soviet Union as we accepted on January 27?
- A. Well, they rejected it, I understand, because it had quite different implications than our agreement has.
 - Q. Can you spell that out?
- A. No, I would hesitate to spell it out because I might be inaccurate in the details. But I was told that the reason why they rejected it was because the Soviet was making, in that connection, demands of a character quite different from those that are reflected by our agreement. I can only give you the result; I can't at the moment spell out the details.
- Q. Well, the Soviet note on the thing charged that they were putting insistence, that is, the British Government were putting insistence upon an end to jamming, on freedom for diplomats to travel, and censorship, ahead of—as a prerequisite to—such an agreement.
- A. I'm sorry, I am not sufficiently informed on the details of that to comment on it.
- Q. Mr. Secretary, Mr. Striganov was called into the State Department this morning; Mr. Murphy saw him. Can you tell us what the purpose of that meeting was?
- A. The purpose was to renew our efforts to obtain the release of the members of the helicopter erew who were inadvertently earried into the Soviet Zone of Germany.
 - Q. Are you making any progress in that field?
- A. The only way you can say you are making progress is that we are getting behind some of the things that probably have to be done. But we don't see the light ahead yet.

¹ Bulletin of July 14, 1958, p. 52.

U.S.-Canadian Discussions

Q. Mr. Sceretary, on your coming trip to Canada, can you say some of the specific matters that you expect to be discussed?

A. There is no agenda. I imagine that we would talk about the matters which you could assame we would talk about: matters of common interest—the question of the common or joint defense of the continental United States, where we are working very closely together but where that working together needs to be reviewed, talked over, from time to time, to assure that it is working smoothly. And, of course, there are economic problems we are all aware of, where there are some differences between us, particularly about the disposal of surplus wheat. My own preparation for the meeting has not gone beyond thinking about those particular phases of the matters that will probably come up. These are the same questions that do come up when we have our Cabinet-level meetings. I suppose they will be the same type of problems we will be discussing when the President goes up.

Q. Mr. Sceretary, the French are reported to be unhappy, or at least greatly concerned, about the amendments to the Atomic Energy Act, which seems to exclude them from certain information exchanges. Can you tell us whether you have any plans to answer this concern when you visit General de Gaulle this weekend?

A. I have no doubt that that will be one of the topics of our discussion at that time and that General de Gaulle will want to have an exposition as to the impact of these amendments on possible exchanges of information with the French. I hope to be able to give him such an explanation.

Q. Mr. Secretary, is the escape-clause action foreclosed as far as you are concerned in relation to lead and zinc?

A. The President has said that he was, I think, suspending action on the recommendations of the Tariff Commission and hoped that the matter would be dealt with in one of the alternative ways which are now before the Congress. I can't do more than refer to what the President said in that connection.⁸

Q. Mr. Secretary, to get back to the question Mr. [John] Hightower [of the Associated Press] presented earlier, our nationals have been seized and held in various parts of the world; it seems to be on the increase. Some Members of Congress have charged that this is a consequence of our previous slow action in China and now again in East Germany and urge stronger action. Would you comment on this?

A. I think it is impossible to treat these different cases as though they were all alike. I think each case has to be considered on all the facts. I don't think there is any relationship, for example, between what is happening in Cuba and what is happening in East Germany or what happens in China. I believe that we have taken, and are taking, the strongest, most effective measures that we can to get Americans out. I believe we have, on the whole, been successful in that respect and have gotten out quite a few that were held. I remember some in Czechoslovakia back in '53.

The effort to get political advantage out of these things is, I think, a very improper course of action. I believe that it is going to be counterproductive for those who try it. I think, as soon as they realize that it is counterproductive, that then they will act accordingly. I can't think of anything that would be worse than, in effect, to pay blackmail to get people out. We are willing to use any proper methods to get them out, short of paying blackmail. If we started doing that, then that would only encourage further efforts to use Americans as hostages.

I believe that we will obtain the release of those now held, whether they be in Cuba or East Germany or the Soviet Union, as soon as it is apparent that it is not possible to make political gains out of it.

The position in China, as regards the 4 who remain, is not so simple. Of course, there were originally 40 there. Now there are 4. The 4, of course, are an object of our very great concern. But the fact that some 36 have been gotten out indicates that our efforts are not wholly without results.

^{*} Ibid., July 14, 1958, p. 69.

⁹ For background, see *ibid.*, Feb. 18, 1957, p. 261, and Dec. 23, 1957, p. 999. The four Americans still held in Communist China are John Thomas Downey, Richard D. Fecteau, Robert McCann, and Hugh F. Redmond, Jr.

Supreme Court Decision on Passport Legislation

Q. Mr. Secretary, since the Supreme Court decisions on the Rockwell Kent and related cases it has been reported the State Department is not going to require answers to those three questions pertaining to membership in the Communist Party on passport applications. Does this indicate a permanent policy decision in the light of the Supreme Court decision, or has the administration made up its mind in terms of support or nonsupport of the Congressman Walter legislation to cancel that decision?

A. Our action since the Supreme Court decision is to comply with what the Supreme Court said. We will comply with that as long as that is the law. Now the decision was based upon the fact that the existing legislation was inadequate to support those particular regulations. The Department of State and the Department of Justice are working very actively on the possibility of new legislation. I hope and believe that we will have something to submit in that respect very shortly, certainly before the conclusion of the present Congress. If that becomes the law, then we will comply with that law on the assumption that it is constitutional.

Q. Does this imply that the administration is not in favor of the legislation so far submitted by Congressman Walter? The Department of Justice and the Department of State are working up their own?

A. I would draw the same conclusion that you do, although I must say that I draw it on the same ground as you do, namely, that we are working on proposed legislation and I assume we would not be doing that if the Walter legislation were entirely satisfactory. I think it is probably along the same lines as the Walter proposal. But I am not sufficiently familiar with the details of that to give you a precise answer.

"Blackmail"

Q. Mr. Secretary, when you use the term "blackmail" in relation to the Americans held in Cuba and those held in East Germany, I assume you are excluding those held in the Soviet Union, which fits a different pattern. What do you mean by this term? Can you be more precise as to what is ruled out by this?

A. In the case of East Germany there is a strong effort there to condition the release of these people upon extracting from us a political act which we would not otherwise take, namely, action which explicitly or impliedly recognized the People's Republic of East Germany as a sovereign government with which we deal as such. In the case of Cuba we can only infer that the action is being taken in order to bring about United States intervention in the internal affairs of Cuba, which we do not intend to do.

You spoke of the ones in the Soviet Union. Those are the ones that were on the plane that was forced down there on Friday [June 27], I think it was. I want to say, as to that, that the idea that that plane would have voluntarily or intentionally flown into the Soviet Union is about as preposterous a suggestion as any that could be made. It was a totally unarmed four-engine, propellor type of plane. To think that such a plane would deliberately intrude into one of the most sensitive, highly armed and defended areas of the Soviet Union is just grotesque. It was being flown by experienced airmen, but it is a very tricky corner where they fly. They have to fly there because that is the established and required international air route. I flew it in January of this year a couple of times, and when you are flying it, particularly if you are flying in an easterly direction, you have to be extremely accurate in your navigation to avoid getting into the Soviet Union. You fly from a radio station near Lake Van which gives you your direction, which is initially in almost a straight easterly direction. But, if you continue to overfly a little bit in that easterly direction, you are automatically in the Soviet Union. You have to make a fairly sharp right turn near the Soviet border to a southeasterly direction. Also that is the more difficult because the Soviet Union maintains very powerful radio transmitters in that particular area which often drown out and confuse the radio direction which comes from the relatively feeble station at Van.

I was talking yesterday to one of the members of the Iranian delegation who has flown that route a great deal, and he was telling me that they are very often confused. It is particularly difficult also because you have to fly high because the mountains there are about 15,000 feet high, higher than the Alps. If you have overcast con-

ditions and your radio gets confused, it is almost impossible to avoid the risk of scratching the border, you might say, of the Soviet Union. But the idea that you would do it deliberately with that type of plane and under those conditions is absolutely grotesque.

Q. Mr. Secretary, the Cuban rebels have claimed repeatedly that we are intervening in the internal affairs of Cuba by allegedly supplying Government airplanes, allowing Government airplanes to use Guantanamo Base, and reports from Cuba say that these kidnapings are retaliatory actions to try to force us to halt aiding Government troops. Would you comment on that?

A. That allegation about the use of our base in Guantanamo is totally unfounded.

Q. Mr. Secretary, one more question on your discussion with General de Gaulle about atomic devices. Will you tell us what the American position is now toward the French going ahead with the explosion of an atomic device?

A. I would rather defer my answer to that question until I get to Paris.

Strategic Shipments to Soviet-bloc Countries

Q. Mr. Secretary, Congress has been told that the United States has been under considerable pressure to relax strategic shipments to the Sovietbloc countries, including Communist China. I believe that this weekend, or in the near future, the meeting in Paris, that has been going on for so long, is about to conclude. Can you say how the battle is going? Are these restrictions going to be lifted?

A. I think some of them will be lifted, yes. There has been a very meticulous, detailed discussion going on for several months on an itemby-item basis. It has been agreed, I think, that, given the industrial development within the Soviet bloc, some items which were on the list originally do not properly have any place there any more. There are a number of other items as to which there are differences of opinion. Those are being held for this final meeting, which will be held, I think, within the next couple of weeks. I feel sure that the net result of this will be to reduce appreciably the prohibited list.

Q. Thank you, sir.

Mr. Dillon Named Under Secretary for Economic Affairs

The Department of State announced on July 1 (press release 371) that Douglas Dillon, until now Deputy Under Secretary for Economic Affairs, on that day was sworn in as Under Secretary for Economic Affairs by Secretary Dulles.

This new office, which becomes the third ranking in the Department, was established under the Mutual Security Act of 1958. President Eisenhower signed the legislation on June 30 and nominated Mr. Dillon to fill the post. Provision for the new office was made by an amendment introduced in the Senate by Senator H. Alexander Smith of New Jersey and by Senator Mike Mansfield of Montana.

In establishing the new office the conference report on the Mutual Security Act of 1958¹ stated that:

The new position will give further emphasis to congressional insistence that the mutual security program is an integral part of United States foreign policy and, as such, is under the immediate direction of the Department of State.

Mr. Dillon has been Deputy Under Secretary since January 1957. In December 1957 Secretary Dulles delegated to that office the responsibility of coordinating various parts of the mutual security program, including both military and nonmilitary programs.²

Secretary Dulles To Visit Brazil

Press release 380 dated July 3

The Department of State announced on July 3 that, in response to an invitation from the Brazilian Government, Secretary Dulles will visit Brazil from August 5 to 8, 1958.

The Secretary will arrive at Rio de Janeiro on August 5 for informal talks with high Brazilian officials. On August 8, before departing for the United States, the Secretary will visit Brasilia, the future capital of Brazil, now under construction.

¹ H. Rept. 2038, 85th Cong., 2d sess.

² For background, see Bulletin of Dec. 23, 1957, p. 990.

Twenty Years After: Two Decades of Government-Sponsored Cultural Relations

by Francis J. Colligan

It is now 20 years since the Government of the United States undertook for the first time the systematic, long-term encouragement of our cultural relations with other peoples. A brief review of the activities of the Government since that time may be of interest as indicating the types of programs which have grown out of this effort and their role in the conduct of our foreign relations today.

On July 28, 1938, a Division of Cultural Relations was established in the Department of State by Departmental order. This event was of a piece with two others of the same year, the ratification of the Convention for the Promotion of Inter-American Cultural Relations and the establishment of what became best known as the Inter-Departmental Committee on Scientific and Cultural Cooperation. These steps were the first to be taken by our Government involving substantial, continuing commitments in the field of international cultural relations. They were followed in 1941 by the assignment of cultural officers to our diplomatic missions, first in Latin America and later in other areas of the world as

• Mr. Colligan, author of the above article, is Acting Director, Cultural Planning and Coordination Staff, Bureau of Public Affairs. Simultaneous with other assignments in the Department was his service as Executive Secretary of the Board of Foreign Scholarships from 1948 to 1957.

well. Their duties ' were defined as assisting the Chiefs of Mission in matters of cultural significance and keeping the Department of State informed of cultural developments in the country of their assignment. Soon field administration became a principal additional duty. The many-sided programs which were started in those years foreshadowed several types of activities which have been conducted since that time by the Department of State and by other agencies of the Government as well.

Prior to 1938 the role of the Government in cultural relations had been occasional, incidental, and restricted in large part to the eminently "practical." One will recall, of course, a number of outstanding representatives of American culture who served this country abroad, starting with Benjamin Franklin and Thomas Jefferson (who was not above smuggling seeds out of Piedmont in the interest of our agricultural sciences) and including such figures as Washington Irving, Nathaniel Hawthorne, and James Russell Lowell. Missions of experts to foreign lands to learn or to teach had from time to time been encouraged in one way or another by the Government. In 1900, 1,400 Cuban teachers came to the United States, aboard Army transports, to be guests of Harvard University at a special summer session. In 1908 the remission of the Boxer indemnities to China stimulated an impressive interchange of scholars and students with China, which lasted many

¹ As reported by Muna Lee and Ruth McMurry in *The Cultural Approach*, University of North Carolina Press, Chapel Hill, N. C., 1947.

years. After the First World War the remainder of the Belgian relief funds, administered by Herbert Hoover, was invested in the establishment of the Belgian-American Foundation, which has played a significant role in our relations with Belgium since that time. During the twenties and thirties especially, our relations with Latin America were marked by a number of Pan American Congresses in public health, child welfare, science, and education. In general, however, the Government's efforts in this field had been motivated by no basic, underlying, long-range objective or policy, nor had they represented commitments to any continuing programs.

It was against this background that the United States initiated its first systematic program of international cultural relations. In the foreground were other factors, for, as Ben M. Cherrington, first Chief of the Division of Cultural Relations. has written, it was a "time when Hitler and Mussolini's exploitation of education as instruments of national policy was at its height, and our Government was determined to demonstrate to the world the basic difference between the methods of democracy and those of a 'Ministry of Enlightenment and Propaganda.' There was to be established in the Department of State an organization that would be a true representative of our American tradition of intellectual freedom and educational integrity." 2

The history of the programs of this organization and of its collaborators and successors falls naturally into three parts. The first covers the years 1938–1948; the second, 1948–1953; the third, the years since 1953.

Cultural Relations With Latin America

The dominant facts of the first period were the Second World War and the Good Neighbor Policy. Government-sponsored programs were first started with Latin America as an essential element of that policy. Moreover, compared with our traditional cultural relations with Europe, and even with China in a somewhat different context, those with the other American Republics had been slight. The shadow of war, however, hung over the Inter-American Conference for the

Maintenance of Peace at Buenos Aires in 1936 when the United States proposed, among other topics for discussion, the "Facilitation by Government Action of the Exchange of Students and Teachers." This it did in the belief that the promotion of cultural relationships was one of the most practical means of developing in the American Republics a public opinion that would favor and support a rule of peace throughout the Western Hemisphere. The result was the adoption by the conference of the Convention for the Promotion of Inter-American Cultural Relations. In the years that followed, the threat of Nazi penetration in Latin America quickened the pace at which the Good Neighbor Policy was being carried out. In 1937 the Cultural Convention was ratified by Congress, and 1939 saw the passage of the act "to render closer and more effective the relationship between the American republics." (Public Law 355, 76th Congress, 1939.) It was under this authority and that of P.L. 63 (76th Cong., 1939) that cultural relations were developed with Latin America. No other permanent legislation regarding cultural relations was enacted until 1948.

The basic policies which governed the initial conduct of the program proved to be sound and are as applicable today to all programs of this type. These were, first, maximum cooperation with nongovernmental organizations and institutions in the United States, and, second, the utilization of existing institutions and established centers of culture both in the United States and in the other participating countries. the same time it was recognized that the Federal Government itself had many resources that could be effectively mobilized for this program—hence the establishment of the Inter-Departmental Committee for Scientific and Cultural Cooperation with its coordinated budget for the programs of participating agencies.

Programs in Other Areas

The war was also directly responsible for the initiation of officially sponsored cultural relations with China and the Near East, which were financed from an emergency fund of the President. The program with China was started in 1942 for the purpose of strengthening Chinese scientific and cultural activities during the period of

¹ "Ten Years After," Bulletin of the Association of American Colleges, vol. 34, No. 4, December 1948, p. 500.

national resistance. The program with the Near East, begun in 1943, focused upon the reinforcement of American-founded schools and hospitals in the area.

Some idea of the scope and scale of activities during this period may be gathered from the fact that in 1943–1944 the cultural programs in all other areas amounted to \$2,871,000 and that of the Inter-Departmental Committee in Latin America, to \$4,500,000. No integrated program was developed with Europe, but the need for postwar rehabilitation and multilateral organizations was anticipated. The United States was represented in such conferences as those of the Allied Ministers of Education in London in 1943. By 1946, cultural officers had been assigned to nine countries outside the Western Hemisphere.

While the specific types of activity varied from area to area and indeed from country to country, there emerged from these early programs certain patterns which have characterized our international cultural programs since that time. Dependent primarily upon the personnel and other resources of the Federal Government were cooperative scientific and technical projects and those for governmental in-service training. There were also industrial training projects, which were singularly successful at a time when war conditions increased the demand for labor. All traditional channels of cultural interchange were widely employed. They included "exchange of persons" through scholarships and fellowships, visiting professorships, and grants for the visits of technical and other experts and leaders; the holding of conferences and seminars; grants to American institutions; the development of American studies and the teaching of English; facilitation of the interchange and use of publications, art objects, and other audiovisual materials; publication and circulation of translated books; and last, but certainly not least, the establishment and maintenance abroad of American libraries and cultural centers.

All these were utilized for various specific purposes, including the creation of better understanding abroad of the American way of life; strengthening of American educational institutions abroad; increasing knowledge of other countries among Americans; and promoting educational, professional, and institutional relations and contacts among leaders of thought and opinion. Basic

to all of these was the general objective of developing international cooperation and mutual interest.

International Information Services

The effectiveness of these activities was enhanced by the international information services, which, for the United States as for several other countries, emerged also out of wartime needs. These services publicized and supplemented cultural activities and disseminated much cultural material in their programs abroad. These agencies were the Office of War Information and, for the information program in Latin America, certain offices of the Coordinator of Inter-American Affairs. Together they formed the basis for what today is the United States Information Agency. Both left us important cultural legacies as well.

Originally charged with definite responsibility for the promotion of cultural projects, the Office of the Coordinator performed a valuable service in strengthening American-sponsored schools in Latin America. Especially notable was the Inter-American Educational Foundation, which was combined later with the Institute of Inter-American Affairs; the IIAA now functions within the framework of the Office of Latin American Operations of the International Cooperation Administration.

The Office of War Information had a different orientation. Its principal legacy in the cultural field has been the libraries which it established and which are now a prominent feature of the program overseas of the United States Information Agency.

The years immediately following the war were marked by general reorganization, resulting in the liquidation of wartime agencies and the retention of certain functions of value for postwar purposes. Certain programs of the Office of War Information and of the Office of the Coordinator of Inter-American Affairs, together with those of the Division of Cultural Cooperation (a later name of the original division) and of the staff of the Inter-Departmental Committee on Scientific and Cultural Cooperation, were gathered on a temporary basis into a single unit which was known as the Office of International Information and Cultural Affairs of the Department of State.

Meanwhile, the United States participated in the founding of the United Nations Educational, Scientific and Cultural Organization (UNESCO). In 1946, with the passage of legislation sponsored by Senator J. William Fulbright (P.L. 584, 79th Cong.), the ground was laid for the utilization of foreign currencies owed to or owned by the United States for a cooperative program of educational exchanges. All this reflected a typically postwar period, one of transition from a warcharged world to what all hoped would be a truly peaceful society of nations. Despite the confusion of these years, the cultural program had developed certain policies, gained certain experiences, and adopted certain techniques which were to prove useful in the ensuing period when the permanent program of cultural relations, previously restricted to Latin America, became worldwide.

Postwar Period

The second period began in 1948, when the United States Information and Educational Exchange Act (P.L. 402, 80th Cong.) was passed by the Congress and the program authorized by the Fulbright Act became operative. The former, sponsored by Senator H. Alexander Smith and Representative (now Senator) Karl E. Mundt, authorized the extension of the program with Latin America to other areas of the world as determined by the Secretary of State. meant in effect its expansion to all the nations of the free world. Early in 1948 an article vehemently attacking the Institute of International Education as a symbol of American cultural relations appeared in the Soviet Teachers' Gazette. It climaxed 3 years of Soviet coolness to our suggestions for such contacts. Together with other incidents, the article indicated conclusively that the Iron Curtain applied as much to cultural as to economic and political relations.

Another political development affecting the cultural programs of the period was the conquest of the Chinese mainland by the Communists, which closed the door to relations with that area. It also prompted the establishment of a Chinese Emergency Aid Program for students and scholars, which was financed from funds of the Economic Cooperation Administration and those made available under the foreign aid act of 1949 (P.L. 327, 81st Cong., 1949) and the China Area Aid Act of 1950 (title II of P.L. 535, 81st Cong., 1950).

These funds enabled the Department to offer assistance to needy Chinese students and some scholars stranded here by the catastrophe in their homeland and to bring here for short periods of research a few students and scholars from various areas of the Far East.

The outbreak of hostilities in Korea in June 1950 resulted in the extension of aid to Koreans similarly stranded in the United States. This program was assisted by a special advisory committee under the chairmanship of the President of the American Council on Education; the close cooperation of more than 300 colleges and universities kept administrative costs to an absolute minimum. Designed to give short-term assistance to enable students to attain their immediate educational objectives, the program was terminated in 1955 after having assisted almost 3,700 beneficiaries at a cost, including administration, of about \$8 million.

The Department, beginning in 1949, faced the task of terminating another type of emergency program, the Reorientation Programs with Occupied Areas, which had been started after the Second World War by the Military Government and which were turned over to the Department for consolidation on a reduced scale with the regular cultural programs. The story of these programs and especially of the cooperation of nongovernmental organizations in the United States, largely through the Commission on the Occupied Areas of the American Council on Education, although an engrossing one, lies outside the sphere of this article. Their most noteworthy contribution to the cultural relations program as a whole was the series of Amerika Haüser and information centers which, on a reduced scale, ultimately became part of USIA's program.

Educational Exchange Service

These emergency activities were entirely independent of the regular programs of long-term cultural relations. For the latter, the Smith-Mundt Act became the basic charter. It provided for a separate "educational exchange service" in the Department of State. (The term "educational exchange" was, in this context, practically synonymous with "cultural relations.") The purpose of this service would be "to cooperate with other nations in the interchange of persons, knowledge

and skills; the rendering of technical and other services; the interchange of developments in the field of education, the arts, and sciences" (sec. 2). It provided explicitly and in detail for the types of activities already developed and tested in the programs with Latin America, China, and the Near East. It amplified and wrote into law the basic policies which had governed cultural programs up to that time: cooperation, reciprocity, the maximum use of nongovernmental agencies and advisers while utilizing fully, on a noncompetitive basis, the resources of the Federal Government itself. It authorized the financing of the program in dollars, including the dollar expenses and dollar grants required by the program under the Fulbright Act.

Meanwhile, with the actual initiation of programs under the Fulbright Act began that strong support, both financial and administrative, of edncational, academic, and research exchanges which has been a significant feature of the cultural program as a whole. By 1948, agreements under the act had been signed with four countries for the financing of exchanges in local currencies and the establishment of binational commissions or foundations for the administration of the country programs. This concrete demonstration of the cooperative and reciprocal nature of the program was repeated in the United States, where the Board of Foreign Scholarships had already been organized and, by the caliber of its membership, had enlisted the wholehearted cooperation of our academic and scholarly community. This board is one of several groups representing public and professional interest involved in the cultural program in its entirety. The others are the United States Advisory Commission on Educational Exchange, the Committee on Cultural Information of the United States Advisory Commission on Information (both of these Commissions were authorized by the Smith-Mundt Act), the U.S. National Commission for UNESCO (authorized by P.L. 565, 79th Cong., 1946), and the Advisory Commission on the Arts, recently authorized by the Humphrey-Thompson Act.3 These public bodies illustrate strikingly the extent to which as a matter of policy representatives of nongovernmental organizations and private citizens have been involved in the administration of the Government's cultural program.

Other acts of Congress during the postwar period testify to the faith of the American people in the value of cultural relations in the shaping of a peaceful world. These included the allocation of an Iranian Trust Fund (an indemnity paid some years before) to the student exchange program (P.L. 861, 81st Cong., 1950); the Finnish Educational Exchange Act sponsored by Senator Smith, which allocated funds thenceforth accruing from Finland's payments on its First World War debt to the interchange of students, teachers, and trainees and to the exchange of books and educational equipment with the Republic of Finland (P.L. 265, 81st Cong., 1949); the India Emergency Food Aid Act of 1951, sponsored by Senator Mundt, which provided for the financing of similar exchange projects with India from some of the interest accruing on the emergency food loan (P.L. 48, 82d Cong.); and the Informational Media Guaranty provisions of P.L. 402, 80th Cong., as amended, which authorized the financing of cultural activities from foreign currencies purchased by our Government in the course of encouraging the sale of American publications in certain countries.

Increased Activities

Some idea of the increase in activity during this period may be gathered from appropriations for the exchange of persons and from the number of libraries, cultural institutes, and information centers. In 1948 the budget for the international exchange of persons amounted to \$5,236,518, including foreign currencies under the Fulbright Act; in 1953 the comparable figure was \$22,235,635. In 1948 the libraries, information centers, and cultural institutes (sometimes referred to as binational centers or societies) under the Educational Exchange Service of that time numbered 98; in 1953 they numbered 227.

It was during this period also that the program of technical cooperation was extended on a regular basis beyond Latin America, as announced in President Truman's 1949 inaugural address. As already noted, the Institute of Inter-American Affairs, under what is now the International Cooperation Administration, continued its work in

⁸ For the membership of the Board of Foreign Scholarships through 1956, see *Swords Into Ptowshares*, Department of State publication 6344, 1956; for the membership of the other bodies, see their periodical reports.

Latin America. The Inter-Departmental Committee on Scientific and Cultural Cooperation was succeeded by other organizational elements under the expanded program.

These developments were paralleled by a growing interest in cultural activities among multilateral organizations of which the United States is a member. One of the four principal objectives of the United Nations, as stated in its charter, is the achievement of "cooperation in solving international problems of an economic, social, cultural, or humanitarian character . . ." (art. 1). UNESCO, the specialized agency in the cultural field, had as its basic purpose the contribution "to peace and security by promoting collaboration among the nations through education, science and culture. . . ." The United States had played a prominent part in the establishment of the Organization in 1945 and had lent it strong support. During this period UNESCO was going through a phase of exploration and experiment not unusual for any new organization, especially one whose potential membership was as broad as that of the U.N. and whose objectives were writ so large. Other specialized agencies and programs of the U.N. were likewise developing, notably the Expanded Program of Technical Assistance, which, in its broad use of the term "technical" and its stress on education as a means of achieving technical goals, shares many of the characteristics of the cultural programs developed by national governments.

Regional organizations were also active. The Organization of American States, in the charter of Bogotá (1948), which was ratified by the United States in 1951, states as one of its objectives the promotion by cooperative action of the economic, social, and cultural development of the member states. It pursues these objectives through the Inter-American Cultural Council, one of the three organs of the Council of the Organization; through the Cultural Department of the Pan American Union; and through several specialized inter-American organizations such as the Pan American Institute of Geography and History.

In summary, this was a period of organization and reorganization, of programs liquidated and programs expanded, as the United States strove to meet its responsibilities on every front of the cold war. The phrase "good neighbor" was superseded in 1950 by another, "the campaign of truth," which was to characterize both the information and the cultural relations programs. This phrase indicates quite well the dominant mood of the period. A semiautonomous agency, the International Information Agency, within the Department of State was created in 1952 to administer both programs.

The Period 1953 to Date

The current period may be dated from 1953, when, in accordance with Reorganization Plan No. 8,4 all the activities of the International Information Administration, except those of the International Educational Exchange Service, were transferred to a new, independent office, the United States Information Agency. The exchange programs, together with functional responsibility for the participation of our Government in multilateral cultural activities, remained in the Department of State under the Assistant Secretary for Public Affairs.

Additional legislation in furtherance of cultural activities continued to be enacted. What were, in effect, amendments to the Fulbright and Smith-Mundt Acts broadened the foreign-currency base. Notable especially is the Agricultural Trade Development and Assistance Act (P.L. 480, 83d Cong., 1954). Marking an expansion into new areas of activity was the International Cultural Exchange and Trade Fair Participation Act (P.L. 860, 84th Cong., 1956), which was sponsored by Senator Hubert Humphrey and Representative Frank Thompson. This act authorized on a permanent basis funds for the cultural presentations program which was established in 1954 following a special request by President Eisenhower to the Congress. Originally designed to step up the presentation of American performing arts abroad by underwriting the deficits incurred by American artists, the program has brought to other peoples a new awareness of the cultural maturity and creativity of the American people and of their widespread interest especially in music and the theater. Well featured in the press, it needs no further notice here.

Meanwhile the program as a whole has continued to grow. It is difficult to trace in a direct line the development of the programs which have

⁴Bulletin of June 15, 1953, p. 854.

been touched upon here, with all the factors that have made them what they are. Nonctheless, certain selected figures may be of interest. The budget of less than \$6 million for exchange of persons in 1948 has grown in 1958 to \$20.8 million. The number of foreign countries participating in the programs under the Fulbright Act has grown from 4 in 1948 to 33 this year. No funds at all were available for cultural presentations overseas in 1948; in 1958 they amounted to \$2.3 million. As to libraries, cultural institutes, and information centers, the 98 of 1948 now number 234 in 75 countries.

The program now extends, on a limited, experimental basis at least, to the Soviet Union and some of the other countries of Eastern Europe. This expansion originated at the summit meeting at Geneva in July 1955, when the question of contact between the Soviet bloc and the free world was referred to the Foreign Ministers. The latter discussed it at their meeting the following October, which was followed by direct negotiations and the initiation of limited, specific projects. These culminated in the agreement for cultural exchange between the United States and the Soviet Union which was signed on January 27, 1958.

Meanwhile, other programs were under way. The North Atlantic Treaty Organization has developed a series of cultural activities; the report of the "Three Wise Men" (The Committee of Three on Non-Military Co-operation in NATO, 1956) stressed the role of cultural cooperation in heightening that "sense of community" on which must be based the continuing cooperation of peoples and governments. "This will exist," they said, "only to the extent that there is a realisation of their common cultural heritage and of the values of their free way of life and thought." Under somewhat different circumstances, the Southeast Asia Treaty Organization has undertaken a modest program of the same general type.

The Organization of American States has continued its development of cultural cooperation. For example, in 1954 at the Inter-American Conference at Caracas it revised the Convention for the Promotion of Inter-American Cultural Relations to render it more realistic and effective. It

has recently announced the initiation of a program of 500 scholarships to students of the Americas as recommended by the Inter-American Committee of Presidential Representatives in 1957.

The interest of member states in UNESCO has grown substantially and, as Walter H. C. Laves and Charles A. Thomson pointed out in their review of the Organization's first 10 years, it seems to have found a successful formula for program planning in its concentration on a few major projects of widespread interest.⁷

Cultural Planning and Coordination Staff

The increase and expansion of so many of these activities is responsible at least in part for the revival of the feeling that, as in 1938, our international cultural relations should be effectively integrated, that they should retain their identity as such, and that they should be regarded, like those of other countries, as coordinate with information, technical, and other "action" programs. Over the years this view has been expressed in many ways. It was behind the establishment of the original Division of Cultural Relations as a separate administrative element in the Department. It is reflected in the Smith-Mundt Act, in the recommendations of the Select Committee of the Senate on Overseas Information Programs (the Hickenlooper-Fulbright Committee) in 1953, in the provisions for the International Educational Exchange Service in Reorganization Plan No. 8. More recently it has been indicated in the concern of the Senate that the coordination between educational exchange and technical training be as effective as possible. It was to allay that concern that Dr. J. L. Morrill, President of the University of Minnesota, undertook to study the problem for the Department. The basic recommendations in his report of May 1, 1956, were twofold: that the Department effect an "authoritative coordination between such programs" and that it upgrade "the U.S. exchange activity in Governmental, Congressional, American public, and foreign consciousness." Steps have been and are being taken to carry out both recommendations. The establishment of the Cultural Planning and Coordination Staff in the Bureau of Public Affairs has

⁵ Ibid., Feb. 17, 1958, p. 243.

⁶ Ibid., Jan. 7, 1957, p. 18.

⁷ UNESCO: Purpose, Progress, Prospects, Indiana University Press, Bloomington, Ind., 1957.

been one such step. This staff, which was created in July 1956 and which includes representatives of ICA, has the dual task of stimulating coordination of the educational exchange program with ICA's technical training activities and of developing policies on international cultural activities. Another step is to be found in the bills now in Congress which would provide explicitly for a Special Assistant to the Secretary of State for International Cultural Relations.

This review of cultural relations as sponsored by our Government is necessarily of a general nature. The scale and scope of the programs with individual countries and the types of projects and resources involved are recorded in detail in periodical reports which are readily available. Enough has been noted here, however, to suggest some general conclusions regarding these programs.

The first conclusion is that the programs are still growing—and encountering all the problems one associates with growth.

More significant is the fact that they are responsive to the political milieu in which they exist; in other words, that they support the foreign policy of the United States. Within that framework, however, they have, and should have, specific characteristic purposes, coordinate with those of other international activities. These purposes in turn indicate the role they play in the furtherance of our foreign policy as a whole. They both heighten a sense of solidarity through greater awareness of our common heritage, as with the countries of the NATO area, and increase understanding of the significant differences between others and ourselves by broadening the channels of cooperation on matters of mutual interest. They also balance technological progress with ideas and principles, which, as Vice President Nixon pointed out after his trip to Africa,8 is vital in the struggle for the minds of men.

Basic to all such programs is, of course, the presentation, direct or indirect, of a balanced picture of one another's way of life. In his address to the Baylor University graduating class of 1956, President Eisenhower declared: "Security cannot be achieved by arms alone, no matter how destructive the weapons or how large their accumulation. So today it is vitally important that we and others

detect and pursue the ways in which cultural and economic assistance will mean more to free world strength, stability, and solidarity than will purely military measures." It is for this basic purpose that the programs described earlier have been conducted.

Nongovernmental Cultural Activities

Since this is a sketch of Governmental activities, it has given little space to those of nongovernmental institutions and organizations. The latter, however, both in cooperation with the Government and independently, have been widespread and impressive. Cultural relations are, in fact, essentially relations between *peoples*; hence the importance of cooperation between Governmental and nongovernmental agencies in this field.

From the very beginning of the Nation, cultural relations with other countries have developed as a function of our educational, scientific, and cultural institutions. They have been a byproduct of international trade and have loomed large in the work of missionary and other religious organizations. They have formed an essential part of the programs of our great philanthropic foundations and of such other organizations as binational societies, professional and scholarly groups, and educational and public welfare associations. The entry of the Government into this field did not signify the emergence of competition with these groups. It has been, rather, catalytic-facilitating financially and otherwise the efforts of those on whom the burden for this kind of relations ultimately rests. This fact accounts for the widespread support of the programs as reflected not only in the acts of Congress but in participation and cooperation on a national scale.

This underlying concept is just as vital today as it was in 1936 when it was stated by Secretary of State Cordell Hull at the Conference for the Maintenance of Peace at Buenos Aires. At that time he said: "Since the time when Thomas Jefferson insisted upon a 'decent respect to the opinions of mankind,' public opinion has controlled foreign policy in all democracies. . . . There should be brought home to them [the people] the knowledge that trade, commerce, finance, debts, communications, have a bearing

⁶ Bulletin of Apr. 22, 1957, p. 635.

[&]quot;Ibid., June 4, 1956, p. 915.

on peace.... In all our countries we have scholars who can demonstrate these facts; let them not be silent. Our churches have direct contact with all groups; may they remember that the peacemakers are the children of God. We have artists and poets who can distill their needed knowledge into trenchant phrase and line; they have work to do.

Our great journals on both continents cover the world. Our women are awake; our youth sentient; our clubs and organizations make opinion everywhere. There is a strength here available greater than that of armies. We have but to ask its aid; it will be swift to answer, not only here, but in continents beyond the seas."

Visit of Carlos P. García, President of the Republic of the Philippines

Carlos P. García, President of the Republic of the Philippines, made a state visit to Washington June 17-20. Following are texts of a joint statement by President Eisenhower and President García released at the close of their talks and an address made by President García before a joint session of the Congress on June 18, together with the exchange of greetings at the Washington National Airport and a list of the members of the official party.

JOINT STATEMENT

White House press release dated June 20

The President of the United States and the President of the Republic of the Philippines to-day concluded the valuable discussions they have held over the past few days on matters of interest to both countries. These talks centered chiefly on United States-Philippines relations, but they also included an exchange of views on matters of international significance to both countries with special emphasis on Asia.

During his three-day visit President García addressed a Joint Meeting of both houses of the Congress, and he and members of his Party conferred with the Vice President, the Secretary of State, individual Members of Congress, and other United States Government officials. After leaving Washington President García will visit other parts of the United States and will meet governmental, cultural, and business leaders.

I.

The two Presidents reviewed the long history of friendship and cooperation between their countries and they expressed confidence that their respective peoples will continue to benefit from this close association in the future. Moreover, they recognized that similar cooperation among the nations of the Free World had been effective in recent years in preventing overt aggression in the Far East and elsewhere in the world. The two Presidents pledged themselves to maintain the unity of strength and purpose between their countries and the other countries of the Western Pacific in order to meet any threats to peace and security that may arise.

The two Presidents reaffirmed their adherence to the principles and purposes of the United Nations Charter. They recognized that through dedication to that Charter the nations of the world can progress toward the attainment of the universal ideal of peace with justice based on the dignity of the individual. With this objective they will continue to support and encourage the activities of the United Nations organization.

They noted that great progress has been achieved under SEATO in the strengthening of the Free World's defenses against communist imperialism in Southeast Asia. They concurred that in the light of the continued threat of communist military power in Asia, SEATO's defensive capability must be carefully maintained. Toward this end the United States will continue to assist in the development of the Armed Forces of the Philip-

pines, in accordance with mutual security programs jointly approved with the Republic of the Philippines.

They reviewed, in this connection, the important role played by the Mutual Defense Pact between the Philippines and the United States. They agreed that the aggressive intentions and activities of communism in the Far East and in Southeast Asia render the maintenance and strengthening of these defensive arrangements an absolute necessity. President Eisenhower made clear that, in accordance with these existing alliances and the deployments and dispositions thereunder, any armed attack against the Philippines would involve an attack against United States forces stationed there and against the United States and would instantly be repelled.

In the spirit of these alliances, and with particular reference to the problems affecting the military bases operated by the United States in the Philippines, they expressed mutual confidence that these questions would be resolved to the satisfaction of the two countries, having regard to the principle of sovereign equality and the vital requirements of an effective common defense.

II.

The two Presidents reviewed progress toward economic development made in the Philippines over the past several years and examined the current economic problems with which that nation is faced. Economic discussions were also held between Philippine officials and representatives of the State and Treasury Departments, the Export-Import Bank and the International Cooperation Administration. The Philippine officials outlined a long-term program for economic development. In view of the inability of the United States to anticipate accurately financial availabilities and relative requirements beyond the next twelve months, immediate emphasis was placed on meeting the initial requirements of the Philippine program.

For these initial requirements the Export-Import Bank informed the Philippine Government that it will establish a new line of credit of \$75 million for financing private and public development projects in the Philippines.

The Philippine Government was also informed that, subject to Congressional action on the additional appropriations being requested, the Development Loan Fund would examine specific projects submitted to it to determine whether they would merit Development Loan Fund financing in an amount not to exceed \$50 million.

III.

In the course of their talks, the two Presidents were deeply aware of the special significance of their meeting as the Heads of State of two countries, one of which through the evolutionary process and by mutual agreement obtained its independence from the other. They realized that, in the context of present events, their meeting would provide a valuable object lesson on the relations of mutual respect and equal justice most appropriate to two countries, great or small, which share a common faith in freedom and democracy.

IV.

President Eisenhower and President García concluded that the understandings reached, as well as the personal relationships established during this visit, will contribute significantly to the mutual good will and friendship which traditionally support Philippines-United States relations.

C. P. García Dwight D. Eisenhower

Washington, D.C. June 19, 1958.

ADDRESS BY PRESIDENT GARCÍA 1

Mr. Vice President, Mr. Speaker, and honorable Members of the United States Congress, from the bottom of my heart I thank you for this high honor you have accorded me by inviting me to speak to the great American Nation through its Congress. I come here on behalf of the Filipino people, your best friends in Asia, who live in the faith that the heart of this great American Nation has for them a soft spot. I speak for 23 million Filipinos who renew the vow that we stand by this great Nation, the United States of America, as long as her leadership of the free

July 21, 1958

¹ Congressional Record, June 18, 1958, p. 10488.

world continues to be nobly dedicated to the supreme cause of world freedom and peace.

In pledging help to the friends of freedom everywhere to achieve their own security and well-being, the United States, through President Eisenhower, said,

Recognizing economic health as an indispensable basis of military strength and the free world's peace, you shall strive to foster everywhere and to practice yourselves policies that encourage productivity and profitable trade.

On this state visit of mine to your grand country, thanks to the hospitality of your great President and people, I hope to avail myself of the magnificent opportunity to exchange with you renewed pledges of Philippine-American solidarity on the basis of equality, mutuality of interest, and identity of ideals. This is also an opportunity to reiterate the resolve that we the Filipino people, within the limits of our capabilities, will assume our just burden in the common defense of freedom and in the common pursuit of peace.

Twelve years ago, on July 4, 1946, you granted us the precious boon for which we had longed and fought through almost four centuries: our independence. You gave it not by compulsion, but by a voluntary sovereign act. You gave it as free men and as champions of freedom and in just recognition of the fact that we deserved it, and were willing to assume its tremendous responsibilities. With our cities and Provinces buried at the time under the ruin and rubble of the world's most devastating war, with the national economic structure wrecked by 4 years of ruthless enemy occupation, with our industries despoiled and destroyed, and our agriculture neglected, we nevertheless gladly accepted the responsibilities of independent nationhood. We then believed, as we still do, that with freedom and independence as our instrumentality and with the courage and determination of our people as our inspiration, we could build again what had been destroyed, we could restore what had been lost, and we could establish a regime of justice, liberty and demoeracy.

We in the Philippines like to believe that in our 12 years of independent national existence we have proved to the world that we have not betrayed America's trust and confidence. We like to believe that we have shown that your 50 years of arduous and altruistic effort to help us prepare for our independence were neither fruitless nor

wasted. We like to believe that the thousands of American soldiers who fought with us in Bataan, Corregidor, Leyte, and other hallowed places did not fight or die in vain. We like to believe that the financial assistance you have given for our country's reconstruction and rehabilitation after the war bespoke the gratitude of the American Nation to the Filipinos who were confronted with the double task of building the foundations of the Philippine Republic and at the same time rebuilding what had been destroyed during a war fought for a common cause. We think that in 12 years we have, with your assistance and inspiration, successfully completed the task of reconstruction and restoration.

Now as we start a new chapter in the unending work of Nation building we face another great challenge, namely, the building of a national economy capable of affording down to the humblest citizen of a democratic Philippines economic well-being, social security, and stability. We are determined to succeed in this task. Only then shall we be able to establish the validity of our claim in Asia that the product of 50 years of Philippine-American collaboration is a democracy that offers to its people the reality of a free and abundant life. We shall have proved that freedom means the building up of human dignity; that democracy means more productivity on the farm and in the factory and more harmony and contentment in the home; that liberty means the utilization of our national resources and the full employment of our manpower for the enrichment of our lives and the winning of peace and contentment. By our success in this endeavor, we hope to be able to demonstrate to the world that not communism, but democracy, which stimulates productivity of the mind, the heart, and the hand, is the answer to the needs of the hungry and the prayers of the oppressed in Asia. That democracy, which is founded upon the eternal verities, is the answer to the spiritual wants of 1 billion Asians, as it is the answer to the material wants of more than half of mankind.

In this great task we ask for your understanding, your encouragement and your assistance—not your charity. We need your faith. We seek from you the strength to make our country an effective force for democracy in Asia. The historic role of the United States in Asia, in my humble view, is far from completed. It is true

that by the grant of Philippine independence you have started a libertarian cycle of far-reaching consequences, resulting in the independence of other Asian countries, like India, Burma, Ceylon, Indonesia, and lately, Malaya. And I would add that this cycle, which has rolled on irresistibly into Africa, will not be completed until every nation of the world shall have become free and independent.

Nevertheless, may I be permitted to suggest that the logic of events and the dynamics of history will not permit the United States of America, the recognized leader of the free world, to stop there. She led triumphantly the forces of freedom in two world wars. She gave the best of her gallant youth to redeem the cause of liberty, held captive in the hands of the oppressor. She has given billions of dollars of her substance to help break down the ramparts of poverty, ignorance, and disease, and to clear the way for a better world. But when these battles have been won, destiny yet calls on America to continue leading the forces of freedom and democracy in the battle for a universal peace founded upon justice, liberty and economic security. The last war taught us to reject isolationism as a national policy. compelled us to accept the principle of the fundamental unity of the human race—the brotherhood of man. The peace and freedom of Asia, where one-half of humanity lives, is therefore unavoidably the concern of the free world of which the United States of America is the acknowledged leader. Asia must therefore be won for democracy. She must be won for peace. To that end, Asia should be helped to develop a political, economic and social climate in which freedom and peace can flourish. Asia, the birthplace of the greatest religions of the earth, must not be allowed by the folly of passive indifference to fall under the control of a godless ideology. Asia, with her thirst for capital and modern technology must be won to the conviction that democracy can lead her out of the depths of poverty to the heights of fulfillment. She must be convinced that the democratic ideology which contains the eternal truths preached by Christ and other great religious leaders, prophets and poets is, in modern times, the ideology that can best satisfy her deep spiritual longings.

In the fields of commerce, industry, agriculture, art, and science, the Asians should be led to the

conviction, not by words but by deeds, that human dignity and human freedom are the highest interests of democracy everywhere; that democracy is the sworn foe of oppression, intolerance, social injustice, and economic insecurity everywhere; and that democracy stands squarely on the principle that the state was created for man and not man for the state. These being the very principles upon which American democracy stands, it is difficult to conceive that her leadership, coupled with understanding and helpful and imaginative policies, should fail to win the heart of 1 billion Asians whose deepest longings are freedom from want, freedom from fear, freedom to grow and develop in peace, and freedom to lift themselves up from abasement of the body and the spirit.

The Filipinos happen to have a culture that is an amalgam of the best in the Asian, Latin, and Anglo-American cultures. It is the only country in southeast Asia where the overwhelming majority of the people profess the Christian faith. By geography and racial affinity we are of the East, and by culture we are of the West. Our jurisprudence is a confluence of Asian, Latin, and Anglo-American jurisprudences. The greatest of our writers wrote in Spanish, Tagalog, and other vernaculars, and the modern ones in English. Thus, the breadth and depth of our culture, its varied and multilateral quality, permits us to elaim, without being immodest, a fair understanding of both the East and the West and to become a bridge of understanding between the two. This is a role which we would be happy to perform in the higher interests of the free world and in the service of world peace.

No one, therefore, should underestimate the tremendous impact upon the Asian peoples of the Philippines' success in establishing among its people a real, substantial, and effective democracy as envisaged by Jefferson and Lincoln, and by our own Rizal and Mabini. On the other hand, no one should discount the possibility that the failure of democracy in the Philippines might prove to be a fatal setback to the expanding frontiers of democracy in Asia.

If you will bear with me for a while, may I be allowed to present to you in bold strokes a picture of the political and economic conditions in my country. The 23 million Filipinos are closely and affectionately attached to you in warm friendship, for you have lived with us for more than

half a century and have left imperishable influences on our history, politics, economics, and culture. We fought side by side with you when the fortunes of war were at the lowest ebb, and ever after. We never wavered in loyalty, not even under the fire and sword of a ruthless enemy. Our veterans who survived after risking their all have unflinching faith that America will always remember their devotion and they are confident that Congress will ever be mindful of their interests. While Bataan and Corregidor were fought by armies, the Philippine resistance movement was fought by the masses of our people. During our association of nearly half a century, you inspired our people with the immortal principles of your Declaration of Independence. You gave us both the letter and the spirit of your Constitution. The political thinking and practices of our people bear the deep imprint of American political institutions and usages. Our demoeratic way of life has been enriched and vitalized by your own. Thus when under the dynamic leadership of President Magsaysay we quelled the Communist-inspired Huk rebellion and outlawed communism in the Philippines under a law signed by me last year, we acted under the inspiration of our spirit of 1896 not less than under your spirit of 1776.

The English language is the official language of the Philippines and will so remain indefinitely. It is one of the cultural bonds that bind our country to America and to the English-speaking world. American culture has cut a deep swath in our own. Even now, the English-language newspapers in the Philippines continue to be the favorite newspapers of Filipino readers. Side by side with the development of the indigenous culture, we appreciate more and more American art and literature. Your cultural legacy now forms part of the soul of the Philippine nation.

The economic bond between our two countries is equally important. The biggest market for our foreign trade is the United States to which we sell 52 percent of our exports and from which we buy 55 percent of our imports. The Philippines occupies the 11th rank among the foreign markets for American products. Your total investments in the Philippines amount to \$250 million and is thus the biggest foreign investment in the Philippines. Under the so-called parity amendment to

our constitution, Americans enjoy the same rights as Filipinos to develop the natural resources of the country and to establish public utilities. We have not given this privilege to any other foreigner. No other country in the world has given it to you. For that reason, the biggest power companies and mining companies in the Philippines up to now are American-owned. American investors come in slowly, but they keep coming. American capital and Philippine labor have harmonious relations. Both our elite and our labor force come from 21 universities, 352 colleges, and 31,000 public and private schools in all of which the democratic ideology is accepted and communism rejected by free choice.

So, I venture to submit my considered view that long after government-to-government treaties are made and unmade, long after agreements are emptied of meaning, long after covenants expire, this people-to-people relation between Filipinos and Americans will endure through the surging centuries of time. These, ladies and gentlemen, are some of the priceless, intangible stakes in our wedded national destinies.

I said a while ago that our task of reconstruction and restoration is over. We have accomplished that with generous American aid. But now we are starting the more difficult task of building a national economy that will afford the humblest citizen of the country a fair share of the comforts and conveniences of modern civilized life, a fair assurance of continuous employment of our manpower, and a fair measure of economic security and stability for all. Our natural resources in land, mines, forests, marine and hydroelectric power potential are vast and the greatest part of them are yet untapped. Our potential production of rubber, cotton, rice, corn and other cereals, and minerals is unlimited. Our actual production of copra, hemp, and sugar is limited only by the demand of the world market. Some of the world's biggest deposits of nickel, iron, copper, and other minerals are found in the Philippines. We are hopeful that someday the tremendous efforts of exploration for oil conducted by American companies will yield the expected results. These, in short, are the vast potentialities of my country.

But I must be frank with you and say that our economic situation leaves much to be desired.

We are far from our economic goals. To exploit the vast natural resources I have referred to, we lack the capital and in certain cases, the knowhow. Our balance of payments in our international trade has been unfavorable in the postwar years. It is true that we have increased our exports from \$263.4 millions in 1947 to \$428.9 millions in 1957. But our imports have increased faster, from \$511.1 millions in 1947 to \$614.6 millions in 1957. It is also true that from 1953 up to the present, pursuant to our industrialization program, we have established with very little foreign borrowing more than 800 new industries. But we are encountering difficulties in providing the dollar requirements of these new industries in machinery, spare parts and raw materials which have to be imported. This has strained our international reserves. We have extensive irrigation projects to bolster our food production. We have also big harbor improvement projects, especially for Manila, to provide port facilities for a growing foreign and domestic trade. We have power development projects to cope with the rapidly expanding industrialization program in the Manila area, Visayas and Mindanao. But principally, we want to realize thereby our ambitious but necessary program of rural electrification by which we hope to stimulate home and cottage industries in the rural areas; bring to our countryside the blessings of newspapers, movies, radio and television and other modern urban conveniences and facilities; improve the living standards of our rural folk, and brighten up their social and economic outlook. But these can no longer be financed with our own resources alone. To finance these development projects, we therefore need foreign capital and credit.

These are some of the urgent and economic problems we have in our country. So much of our working capital has been invested in the building of the projects and industries we have so far undertaken that refinancing has become imperative. We have progressed halfway toward our objective; we cannot turn back. We need strength to take us to the legitimate goal which we believe we can reach with the assistance of our friends.

Lastly, may I express a parting thought as a tribute to this great American nation by borrowing the words of one of its greatest Presidents, Franklin Delano Roosevelt. He said:

The state of this Nation is good—the heart of this Nation is sound—the spirit of this Nation is strong—the faith of this Nation is eternal.

The Philippines, your loyal friend and ally, appeals to that heart, to that spirit, and to that faith of this Nation.

EXCHANGE OF GREETINGS²

White House press release dated June 17

The President:

President García, Madam García, and all members of the party that are accompanying you to this country today: First, may I have the privilege of extending to you a very warm welcome from this Government and from its people. In saying this, there is on my part far more of personal sentiment than would normally be the case.

As you may recall, from the years 1935, when the Philippines first became a commonwealth, and until the beginning of 1940 I served not only in your country but as a subordinate on General MacArthur's staff. I served the Philippine Government by assignment from this Government. It was a very priceless privilege. It was an opportunity to learn something of your country, its people, its islands, its economy, its political formation. On top of that I formed many warm friendships that endure to this day.

I thought and I still believe Mr. Quezon was a great leader with a great vision. I still regret that he is not with us today to join with the people that are in this audience—to welcome you and to say he is glad to see the President of an independent Philippines coming over here to meet in the Capital City of our country so many of the people here that I hope you will find both interesting and possibly enjoyable.

Thank you for coming with us—to all members of your party—and greetings to your people through you.

Thank you.

President García:

Mr. President, ladies and gentlemen: Mrs. García and I would like to thank you most warmly for this kindness of receiving us here today. I would like to state, Mr. President, that

² Made at the Washington National Airport on June 17.

this demonstration of kindness, and I would say kinship, has touched me to the quick.

Any head of state that is thus welcomed to this lovely city, which is now considered the capital city of the free world, will have that overwhelming sense of joy and pride. But for a President of the Philippines this feeling acquires a special quality. For I come here not as a stranger, not merely as one of your many friends and allies, but I come bearing with me the affection of a grateful people whom you have served so well and so long.

This is a feeling that I have today, Mr. President, that I do not come here with any other feeling but that of a spiritual homecoming and your presence has indeed enhanced that feeling.

As one of the great Americans that saw service in our country, you are a living witness to the indissoluble bond of common ideals that bind our two peoples together. I have come to make a fresh assurance of our people's undying fidelity to those ideals, and I am happy and honored to be able to present to you this reassurance in person.

Thank you.

Commissioner McLaughlin: 3

It is a great pleasure and honor to me, representing the Board of Commissioners of the District of Columbia and the people of the Nation's Capital, to welcome you here today, in the hope that you will have a very pleasant and memorable visit here among the vistas and views with which you are no stranger.

Assuming that you know something about our temperatures at this time of year, I would say that the warmth of the temperatures here in Washington is only a part of the warmth of our welcome and hospitality to you and to your people.

May I present this key to the city, Mr. President, as a symbol of our hospitality and happiness in having you with us.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on June 13 (press release 320) that the following would

accompany President and Mrs. García as members of the official party:

Gen. Carlos P. Romulo, Ambassador of the Philippines to the United States

Mrs. Romulo

Florencio Moreno, Secretary of Public Works

Mrs. Moreno

Jesus Vargas, Secretary of National Defense

Dominador Aytona, Commissioner of the Budget

Miguel Cuaderno, Governor of the Central Bank

Mrs. Cnaderno

Eduardo Romualdez, Chairman of the Rehabilitation Finance Corporation

Fernando Campos

Mrs. Campos (daughter of President and Mrs. García)
Lt. Col. Emilio O. Borromeo, senior aide to President
García

Wiley T. Buchanan, Jr., Chief of Protocol of the United States

Charles E. Bohlen, American Ambassador to the Philippines

Rear Adm. Howard L. Collins, USN, American aide to President García

Clement E. Conger, Deputy Chief of Protocol, Department

Elvin Seibert, protocol officer, Department of State Stuart P. Lillico, press officer, Department of State

President Heuss Departs for Germany

Following is the text of a letter to President Eisenhower from Theodor Heuss, President of the Federal Republic of Germany, at the close of his visit to this country, which included a state visit to Washington June 4-7.1

White House press release dated June 28

Aboard ms "BERLIN", June 23, 1958.

DEAR MR. PRESIDENT: In this moment of departure from your country may I thank you again for your kind invitation which gave me the opportunity to experience a visit rich in impressions and events.

I wish to express my gratitude to you in a double sense: First to you as President of the United States and to all American citizens whose warm and hospitable reception it was my pleasure to experience and who in such great numbers

³ Robert E. McLaughlin, president of the Board of Commissioners of the District of Columbia.

¹ Bulletin of June 30, 1958, p. 1099.

helped me to take home from this journey new understanding and an enrichment of knowledge. Also, my heartfelt appreciation is extended to you and Mrs. Eisenhower for the welcome you offered me which made me feel very much at home.

During these past few weeks I have seen much and learned much, giving me a deeper understanding of the grandeur as well as the problems of your great country. Throughout my journey I became intensely aware by virtue of the warmth with which I was received wherever I went in the

east, middle west, the west and the south that our peoples have been drawn together in harmony beyond the abilities of treaties to effect mutual confidence, friendship and human respect.

It makes me happy at the end of this trip to be reassured that German-American friendship is more than a matter of contemporary history of our two nations, but that the deep-rooted strength of this friendship is a genuine contribution toward the future freedom of the whole western world.

THEODOR HEUSS.

Visit of Sardar Mohammad Daud, Prime Minister of Afghanistan

Sardar Mohammad Daud, Prime Minister of Afghanistan, was an official guest of the U.S. Government in Washington June 24–27. Following are a joint statement issued by President Eisenhower and Prime Minister Daud on June 27 at the close of their discussions and an announcement of the signing on June 26 of a U.S.-Afghan cultural agreement, together with the texts of addresses made by the Prime Minister before the Senate and the House of Representatives on June 25, the exchange of greetings at the Washington National Airport on June 24, and a list of the members of the official party.

JOINT STATEMENT

White House press release dated June 27

The President of the United States and His Royal Highness Sardar Mohammad Daud, Prime Minister of Afghanistan, today concluded friendly and fruitful discussions on various matters of mutual interest. These discussions have been supplemented by talks between the Prime Minister and his advisers and the Secretary of State and other American officials.

The Prime Minister, who is visiting the United States upon the invitation of the President, has also been introduced to both Houses of the United States Congress and has met with the Justices of the United States Supreme Court. At the conclusion of his Washington stay, the Prime Minister will tomorrow begin a 12-day coast-to-coast tour of the United States during which he will meet with various civic, cultural and business leaders.

In their review of the world situation, as well as of developments in various areas of the globe, the President and Prime Minister were conscious of the universal desire of all peoples that war be eliminated and peace based on international justice be established. They reaffirmed their determination to work for peace and security in the world. In behalf of their respective governments, they reasserted their firm attachment to the principles of the United Nations Charter and their determination to continue to cooperate in advancing the objectives of that vital instrument for peace.

Throughout the discussions between the Prime Minister and American representatives there was emphasis on the cordiality and genuine friendship which characterize Afghan-American relations. The President explained the principles and goals of the United States in the field of international affairs and the Prime Minister similarly described the attitude of the Government of Afghanistan in the field of international affairs including its traditional policy of neutrality and independence.

It was agreed that both nations share beliefs in mutual respect for the sovereignty and independence of nations, in non-interference in the affairs of others, in social and economic progress for all peoples, and in the dignity of the human individual.

In this spirit, which underlay the examination of specific aspects of the relationship between the two countries, the Prime Minister was assured of the continuing readiness of the United States to be of assistance to Afghanistan in its high objective of developing the resources of the country for the welfare of the people. It was agreed that cooperation which already exists in the development of Afghan civil aviation, the Helmand Valley, surface transportation projects, and the Afghan educational system will be continued with a view toward making each of these projects as efficient and effective as circumstances permit.

As a symbol of the warm relations existing between the two countries and as an indication of a desire of the two nations to base their relations on mutual understanding, a cultural agreement between the Government of Afghanistan and the Government of the United States was signed on June 26.

In concluding their discussions, the President and the Prime Minister agreed that the exchanges of views between Afghan and United States representatives have been most useful. They expressed their desire to maintain and strengthen the cordial understanding between the two countries, which was so manifest during the Prime Minister's visit.

SARDAR MOHAMMAD DAUD DWIGHT D. EISENHOWER

U.S.-AFGHAN CULTURAL AGREEMENT

Press release 357 dated June 26

His Royal Highness Sardar Mohammad Daud, Prime Minister of Afghanistan, and Secretary of State John Foster Dulles on June 26 signed an Afghanistan-United States cultural agreement. Prince Daud is in the United States as an official guest of the United States Government.

The agreement was effected through an exchange of notes. The text of the Secretary's

note to which the Afghans have replied in the affirmative is as follows:

Your Royal Highness: I have the honor to refer to conversations which have recently taken place between representatives of our two Governments concerning the cultural relations between the United States of America and Afghanistan. I understand that it will be the intent of each Government:

- 1. To encourage the coming together of the peoples of the United States of America and Afghanistan in cultural cooperation and to foster mutual understanding of the intellectual, artistic, scientific and social lives of the peoples of the two countries.
- 2. Recognizing that the understanding between the peoples of both countries will be promoted by better knowledge of the history, civilization, institutions, literature, and other cultural accomplishments of the people of the other country, to encourage the extension of such knowledge within its own territory.
- 3. To promote and facilitate the interchange between the United States of America and Afghanistan of prominent citizens, specialists, professors, teachers, students, and other youths, and qualified individuals from all walks of life.
- 4. In order to facilitate the interchange of persons referred to, to look with favor on the establishment of scholarships, travel grants and other forms of assistance in the academic and cultural institutions within its territory. Each Government will also endeavor to make available to the other information with regard to facilities, courses of instruction or other opportunities which may be of interest to nationals of the other Government.
- 5. To eucourage and facilitate in its territory, if it is so desired by both parties, a conduct of cultural activities and the establishment of libraries, cultural institutes, or other forms of cultural centers by the other Government.
- 6. To endeavor, whenever it appears mutually desirable, to establish or to recommend to appropriate agencies the establishment of committees, composed of representatives of the two countries, to further the purpose of this agreement.
- 7. To use its best efforts to extend to citizens of the other country engaged in activities pursuant to this agreement such favorable treatment with respect to entry, travel, residence and exit as is consistent with its national laws.
- 8. This agreement shall not have the effect of changing the domestic law of either country, and the responsibilities assumed by each Government under this agreement shall be subject to its Constitution and applicable laws and regulations and will be executed within the framework of domestic policy and procedures and practices defining internal jurisdiction of governmental and other agencies within their respective territories.

I have the honor to propose that, if these understandings meet with the approval of the Government of Afghanistan the present note and your note concurring therein will be considered as confirming these understandings, effective on the date of your note.

Accept, Your Royal Highness, the assurances of my highest consideration.

EXCHANGE OF REMARKS AT SIGNING CEREMONY

Press release 359 dated June 26 Secretary Dulles:

Your Royal Highness, it gives me great pleasure to sign, on behalf of the United States of America, this cultural agreement with your country. Afghanistan and the United States have long enjoyed common ideals and aspirations for independence, freedom, and economic well-being.

The dissemination and exchange of knowledge responds to man's unquenchable longing to expand the frontiers of his learning. This agreement will enable us to share, in larger measure than heretofore, knowledge of our cultures, our traditions, and institutions. Our peoples stand to gain much through the operation and fulfillment of this agreement.

We take added satisfaction from the fact that the understandings here expressed were arrived at in time to make this signing possible by Your Royal Highness, when you are an honored guest in this country.

Prime Minister Daud (through an interpreter):

On this occasion that I sign this agreement of cultural exchange between the Government of Afghanistan and the Government of the United States of America, it is really a happy moment for me.

I am sure that the signature of this agreement is one more step to the strengthening of relations between our two countries.

It is to my pleasure that I have this opportunity during my stay here in the United States of America.

I hope that this will be an augury for more friendship and consolidation of relations between our two countries.

ADDRESS BEFORE THE SENATE

Mr. Vice President and honorable and distinguished Members of the Senate, it is an honor and

a privilege to have the pleasure of meeting with you in this august gathering.

I am overwhelmed by the warm reception and the cordial hospitality of the Government and the people of the United States, for which I express my heartfelt gratitude.

I am very happy that the kind invitation of President Eisenhower has made it possible for me to visit the United States, and my pleasure is all the greater for having this opportunity to convey to you and, through you, to the people of the United States the great, friendly aspirations of the people of Afghanistan.

This message of friendship of the Afghan people to the people of America does not stem only from the good diplomatic relations existing between our countries; it has a sounder source, which is the conviction of our peoples in the principles which the Afghans and the Americans alike consider to be the basis of their existence and, in fact, the basis of any existence with human dignity. This is a spiritual bond; and such bonds are of great value to our people, particularly in view of the fact that they are the best means of creating and continuing friendship between different peoples and nations. This is the basis of the policy of neutrality of Afghanistan concerning our international relationships.

Afghanistan is a country whose people are far behind many peoples so far as the material developments of the modern age are concerned. But we have a deep conviction and a strong faith in the spiritual realities of life, from which we derive our confidence in the ultimate success of our own people and of other people in the attainment of the aspirations which lead to the happiness of mankind. That is why we can always speak of great and everlasting hope for ourselves and our friends.

Among our friends, our relations with the United States of America were established on the firm basis of true knowledge, on the part of the Afghan people, of the principles which constitute the American way of life.

These relations have continued in ever-increasing measure, in a spirit of mutual respect, confidence, and good understanding. The further strengthening and expansion of these friendly relations is the sincere and living desire of the Afghan people.

While the people of the United States endeavor

¹ Congressional Record, June 25, 1958, p. 11030.

to realize their own aspirations, we in Afghanistan are engaged in the same pursuit for our people; but our task is markedly different. Ours is a task of reconstruction from the ruins of the past and the reestablishment of a modern life on the site of the old civilizations. As a result of our engagement in the defense of our independence and freedom during the last two centuries, we have been left with great problems. Only recently have we been able to think of embarking upon a program of putting our house in order.

Our experiences in this connection have taught us not to forget our sufferings and not to trust any policy which might allow the dark days of the past to beset us again, but, rather, to favor a policy through which we can look forward to an atmosphere of good understanding, in which our difficulties would be appreciated. To us, this is the only way in which the nations of the world can enjoy mutual confidence on the basis of international justice, which is essentially needed by the peoples of the world at the present time.

Our hope to succeed in our efforts is obviously of vital importance to us. The success depends not only upon our own efforts, but also on the maintenance of peace and security in the world in which we live.

Therefore I can say that, the achievement of our national goal being dependent on international peace and security, our national and international aims are ultimately the same. That is why our policies in all directions are founded on the principle of friendship with all peoples and nations of the world.

For the achievement of our aims we do not have many means to speak of; however, there is one thing on which we can rely, that is, our confidence in the spirit of our people and their determination to give their utmost efforts, free from any influence and motivated only by an independent judgment to overcome the great difficulties which confront us.

This in no way means that we plan to ignore or slight the importance of good understanding and international cooperation. On the contrary, we are fully convinced of the essentiality of international cooperation and we have given expression to this conviction on any proper opportunity, and we shall continue to do so.

The history of the Afghan-American relations can provide us with many examples of such co-

operation. I wish to express my appreciation of the good will and understanding which have always prevailed between our two countries.

In this atmosphere of friendship among the great American people, it gives me the greatest of pleasure, while I am enjoying their hospitality, to represent the wishes of my people for the prosperity and happiness of the American people. Let me tell you that these privileged moments that I have spent among you will remain with me as an everlasting memory of my visit to your great country.

ADDRESS BEFORE THE HOUSE OF REPRESENTATIVES²

Mr. Speaker and honorable Members of the House, it is a great pleasure and privilege for me to have the opportunity of finding myself among the Representatives of the great American people in this august gathering.

I wish to have your permission to first of all take this opportunity to convey the friendly feelings and the cordial aspirations cherished by the people of Afghanistan for the people of the United States of America to you and through you to the people of the United States.

These sentiments are cherished by the Afghan people as a direct outgrowth of their full acquaintance and true knowledge of the principles which make the United States of America; principles which are the true reflection of the spirit of the American people, as love of freedom and independence is the most sacred tradition by which our understanding of the American people is guided. These principles have been a part of the Afghan traditional beliefs throughout the course of thousands of years of our history and are considered by the people of Afghanistan to be a common tradition shared by all those peoples and nations who have chosen to respect them as their way of life. To us the defense of this principle is foremost in its significance and our esteem for it is above everything.

Our history is witness to the fact that we have tolerated many sufferings for the preservation of our independence and freedom. At no time have we allowed any influence to damage our national

² Ibid., p. 11065.

prestige or hurt our national pride. We are determined to live in this way; we cannot think of any materialistic factor that would persuade us to accept the slightest change in the course of our national determination for the preservation of our independence and of our freedom.

The Representatives of the people of the United States are representatives of these principles to the outside world. The mutual respect and confidence on which is based the ever-increasing friendly relations between Afghanistan and the United States is a direct consequence of our firm convictions in the attainment and preservation of a life of decency secured by the independence and free determination of man everywhere, in an atmosphere of friendship and peace among all peoples and nations.

Since their establishment, our bonds of friendship have remained firm, and subsequently we have continued to strengthen them further. It is indeed a pleasure, on this occasion, to state once again the sincere desire of the Afghan people for strengthening and expanding these good relations with the people of the United States of America. I hope that my visit to this country, on the cordial invitation of President Eisenhower, will serve the purpose of fulfillment of this desire.

Afghanistan is a small country, but our difficulties and problems are not small. While this is the concern of the Afghan people through all circumstances and situations in which mankind does not feel secure from calamities and sufferings, and in the face of all events anywhere, we have shared and we do share the concern of our fellow men.

The greatest question which concerns all nations of the world today, big and small alike, is that of peace and security. For us this anxiety is naturally of particular significance, since we have just found an opportunity to reconstruct our ruins caused by the unpleasant events of the period of aggression which had threatened the independence and freedom of the Asian people, and to do this with our simple and meager facilities so that we may live once again in better conditions.

By expression of this concern I am conveying a message from the Afghan people to the Representatives of the people of the United States, which I consider a great honor; that is, the message of peace and friendship among peoples and

nations, and friendship between Afghanistan and the people of the United States.

May I wish once again to express my sincere aspirations which represent the heartfelt sentiments of the Afghan people for the happiness and prosperity of the people of the United States and for world peace and prosperity.

EXCHANGE OF GREETINGS AT AIRPORT

Press release 349 dated June 24

Vice President Nixon:

Your Royal Highness, it is my great honor and privilege to extend to you a welcome on behalf of the President of the United States and of the American people on the occasion of your visit to our Nation's Capital.

May I say that this is particularly a personal pleasure for me because I recall 5 years ago meeting you in your own country and the very gracious welcome that we received on that occasion. I came back with many impressions of Afghanistan—a land of superb and rugged beauty. But the major impression that I had was with regard to the spirit of your people, a spirit which through the centuries has meant that Afghanistan has been unconquered and unconquerable. And for that reason we have been looking forward to the time when you would visit the United States in your official capacity as Prime Minister of your country.

We know that the conversations that you have here with President Eisenhower, Secretary Dulles, and other officials of our Government will be mutually helpful in developing closer bonds of friendship which have been traditional between our two countries.

We are also most happy that on this visit, as distinguished from your visit of 1949, you will have a chance not only to see Washington and New York but some of the other parts of our own country. I know that every place you go you will receive a warm and friendly welcome from all the people of the United States.

Prime Minister Daud (through an interpreter):

Mr. Vice President, it is a great pleasure for me to have this opportunity to visit the Capital of the United States of America. I wish to express my heartfelt gratitude for the warm and friendly reception with which I have been welcomed to your country and for the friendly words you have spoken.

My visit to the United States on the invitation of the President reflects the common desire of the Governments of Afghanistan and the United States of America to further strengthen and expand the close and cordial relations which have existed between our two countries since their establishment.

Although our two countries are separated by thousands of miles, the people of Afghanistan are fully acquainted with the way of life of the people of the United States, and with this knowledge the ties of friendship have continued to remain firm between the two nations.

The history of our relations from the beginning has been a history of good will, mutual confidence, and respect for each other, economic and cultural cooperation, and good understanding. The strengthening and continuation of these good relations is a sincere desire of the Afghan people and Government. Today I am greatly pleased to have the opportunity to express this desire to you personally.

I hope that my visit of good will to your country will serve the purpose of continuation of our close friendship. While I wish to express the aspiration of the Afghan people for the welfare and happiness of the people of the United States of America, I want to convey, once again, on behalf of my companions and myself our thanks to the Government of the United States of America and to Your Excellency and to all those who have greeted us so kindly.

I am very happy to say that it has given me a great pleasure to have the opportunity of meeting you again and to tell you that the memory of your friendly visit to Afghanistan is still living in the mind of our people.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on June 21 (press release 338) that the following would accompany Prime Minister Dand as members of the official party:

Mohammad Hashim Maiwandwal, Amhassador of Afghanistan

Mohammad Yusuf, Minister of Mines and Industries

Abdul Rahman Pazhwak, Permanent Representative of Afghanistan to the United Nations

Mohammad Sarwar, Deputy Minister of Commerce Mohammad Ayub Aziz, Deputy Chief of Protocol Mohammad Khalid Roashan, Press Attaché

Wiley T. Buchanan, Jr., Chief of Protocol of the United States

Sheldon T. Mills, American Ambassador to Afghanistan Armin H. Meyer, Deputy Director, Office of South Asian Affairs, Department of State

Robert T. Hennemeyer, Protocol Officer, Department of State

Edward M. Cohen, Press Officer, Department of State

THE CONGRESS

President Answers Congressional Query on Trade Agreements Legislation

Following is an exchange of correspondence between President Eisenhower and Wilbur D. Mills, chairman of the House Committee on Ways and Means.

THE PRESIDENT TO REPRESENTATIVE MILLS

White House press release dated June 10

May 29, 1958

DEAR MR. CHAIRMAN: Your letter of May twenty-second asks me two questions concerning the Trade Agreements legislation which has just been reported by the Committee on Ways and Means: (1) whether an amendment reserving to the Congress the right, acting by concurrent resolution, either by majority vote of those present or by majority vote of the entire membership, to overrule the President in escape clause cases and to put into effect the findings and recommendations of the Tariff Commission, would clearly be regarded by the Executive Branch as unconstitutional, and (2) whether I regard it as essential in escape clause cases that the findings and recommendations of the Tariff Commission be subject to the approval of the President.

At the outset, I want to congratulate the Ways and Means Committee for the trade agreements legislation which it has reported. This legislation will give the American people the kind of trade program I believe they want. Enactment of the legislation can contribute greatly to job-making, prosperity and well-being in American agriculture, industry and labor, and its enactment will help preserve the strength and unity of the free world.

As to your first question, I have been advised informally by the Attorney General that the inclusion in the Trade Agreements legislation of a provision stating in effect that the findings and recommendations of the Tariff Commission would go into effect, notwithstanding their disapproval by the President, whenever the Congress, by concurrent resolution adopted either by a simple majority or by a constitutional majority of both Houses, approved such findings and recommendations, would clearly be unconstitutional. The Attorney General has further advised me that should the legislation retain the provision requiring a two-thirds vote of both Houses, the vote in each to be by the yeas and nays, such a provision could be regarded as a valid substitute for the twothirds vote necessary to override a Presidential

As to your second question, it seems to me imperative that the Tariff Commission's findings and recommendations be subject to the President's approval. In the world of today the tariff policy of the United States can have profound effects not only on our foreign relations generally but upon the security of the entire free world. Some nations of the free world must either export or die, because they must import to live. Their very existence, as well as their defensive strength as free world partners, depends upon trade. For the United States to close its doors, either by high tariffs or import quotas, upon exports from these nations could force them into economic dependence on the Communists and to that extent weaken the strength of the free world.

Moreover, escape clause actions frequently involve questions affecting the national interest, such as the requirements of the domestic economy and the effect of the findings and recommendations of the Tariff Commission on other producers and consumers in the United States, including their effect apon the jobs of those producing for export. The

President—who serves the interests of the whole nation—is uniquely qualified to make a reasoned judgment as to whether the findings and recommendations of the Commission in such cases are in the national interest. The Tariff Commission, on the other hand, was not appointed to make judgments in such matters, involving, as they do, evaluations of the impact of escape clause actions on the whole range of the American economy.

These problems, and the effect that one course of action or another would have upon the best interests of the United States, are peculiarly within the knowledge of the President. In fact dealing with such problems constitutes a major Constitutional responsibility of the President, both as President and Commander-in-Chief. The Tariff Commission, on the other hand, has only a limited responsibility—to find whether or not in its opinion there is injury to a domestic industry as a result of imports and to make recommendations to the President based upon such findings. It is essential that the President have authority to weigh those findings and recommendations along with all of the information the President has in both the domestic and the foreign field, and to arrive at a decision which will be in the best interests of the United States.

To withdraw from the President his power to make decisions in escape clause cases and to grant finality to the Tariff Commission's findings and recommendations would in my opinion be a tragic blunder which could seriously jeopardize the national interest, the foreign relations, as well as the security of the United States.

Sincerely,

DWIGHT D. EISENHOWER

REPRESENTATIVE MILLS TO THE PRESIDENT

May 22, 1958

THE PRESIDENT

The White House

Washington 25, D.C.

MY DEAR MR. PRESIDENT: As you know the Committee on Ways and Means yesterday reported out H. R. 12591, extending the President's authority to enter into trade agreements. The bill as reported by the Committee contains several amendments to the bill that I had originally introduced

at your request and I am pleased that the bill as reported has your complete approval.

One of the principal features of H. R. 12591 is the amendment to the escape clause procedure whereby the Congress may, by concurrent resolution, with a two-thirds vote of those voting in each House, put into effect the recommendations of the Tariff Commission if the President has refused to put into effect such recommendations. This provision of the Committee bill, because it represents so important an innovation in the legislation, has aroused considerable interest among the Members of the House. I expect that in the debate on the trade agreements legislation this provision of the Committee bill and a comparable provision of the proposed substitute bill will be the subject of considerable discussion.

I would like, therefore, to point out two aspects of this subject and to invite your considered comments with respect to them. The first is whether you, on the advice of the Attorney General, would regard as clearly unconstitutional a provision reserving to the Congress the right to overrule the President in escape clause cases and to put into effect the recommendations of the Tariff Commission if it provided that the action of the Congress would be by concurrent resolution either by majority vote of those present or by majority vote of the entire membership, but not by a two-thirds vote of those voting as provided for in the Committee bill.

The second matter is whether you would regard it as essential that, in escape clause cases, the findings and recommendations of the Tariff Commission be subject to Presidential approval or disapproval, rather than to be put into effect irrespective of whether the President has approved such findings and recommendations.

I will sincerely appreciate your observations on these matters.

Respectfully yours,

Wilbur D. Mills

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on June 18 confirmed Edward T. Wailes to be Amhassador to Iran. (For biographic details, see Department of State press release 289 dated May 27.)

Appointments

Robert B. Menapace as Deputy Managing Director of the Development Loan Fund, effective July 1. (For biographic details, see press release 375 dated July 1.)

TREATY INFORMATION

Current Actions

MULTILATERAL

Atomic Energy

Statute of the International Atomic Energy Agency. Done at New York October 26, 1956. Entered into force July 29, 1957. TIAS 3873. Notification by Federal Republic of Germany of applica-

tion to: Berlin (West), June 10, 1958.

Narcotic Drugs

Protocol bringing under international control drugs outside the scope of the convention limiting the manufacture and regulating the distribution of narcotic drugs concluded at Geneva July 13, 1931 (48 Stat. 1543), as amended (61 Stat. 2230; 62 Stat. 1796). Done at Paris November 19, 1948. Entered into force December 1, 1949. TIAS 2308.

Ratification deposited: Dominican Republic, June 9,

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.1

Ratification deposited: Dominican Republic, June 9, 1958.

BILATERAL

Germany

Agreement extending agreement for the lease of air navigation equipment of August 2, 1955 (TIAS 3464). Effected by exchange of notes at Bonn February 24 and May 24, 1958. Entered into force May 24, 1958.

New Zealand

Agreement modifying the agreement of December 16, 1957, and May 2 and 5, 1958, by reducing the period of validity of certain classes of nonimmigrant visas from 48 to 24 months. Effected by exchange of notes at Wellington May 13, 1958. Entered into force May 13, 1958.

United Kingdom

Agreement for cooperation on the uses of atomic energy for mutual defense purposes. Signed at Washington July 3, 1958. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

¹ Not in force.

| Afghanistan. Visit of Sardar Mohammad Daud, Prime Minister of Afghanistan | 127 |
|---|---|
| Atomic Energy Geneva Technical Talks (texts of U.S. and Soviet aide | |
| memoire) Secretary Dulles' News Conference of July 1 | $\begin{array}{c} 101 \\ 104 \end{array}$ |
| Brazil. Secretary Dulles To Visit Brazil | 111 |
| Canada. Secretary Dulles' News Conference of July 1 . | 104 |
| China, Communist. Secretary Dulles' News Conference of July 1 | 104 |
| Congress, The President Answers Congressional Query on Trade Agree- ments Legislation | |
| Visit of Carlos P. García, President of the Republic of the | 132 |
| Philippines Visit of Sardar Mohammad Daud, Prime Minister of Afghanistan | 120 127 |
| Cnba. Secretary Dulles' News Conference of July 1 | 104 |
| Department and Foreign Service | |
| Appointments (Menapace) Confirmations (Walles) Mr. Dillon Named Under Secretary for Economic Affairs | 134 134 111 |
| Germany. President Heuss Departs for Germany | 126 |
| Germany, East. U.S. Urges Soviet Action on Release of Helicopter Crew and Passengers | 108 |
| Economic Affairs. President Answers Congressional Query on Trade Agreements Legislation | 132 |
| Educational Exchange. Twenty Years After: Two Decades of Government-Sponsored Cultural Relations (Colligan). | 112 |
| International Information. Twenty Years After: Two Decades of Government-Sponsored Cultural Relations (Colligan) | 112 |
| Iran. Wailes confirmed as amhassador | 134 |
| Lebanon. Secretary Dulles' News Conference of July 1 . | 104 |
| Military Affairs. U.S. Urges Soviet Action on Release of Helicopter Crew and Passengers | 108 |
| Mutual Security Appointment of Robert B. Menapace, Deputy Managing | |
| Director of Development Loan Fund Free-World Cooperation and America's Security (Eisen- | 134 |
| hower) | 103 111 |
| Mr. Dillon Named Under Secretary for Economic Affairs . Secretary Dulles' News Conference of July I | 104 |
| Philippines. Visit of Carlos P. García, President of the Republic of the Philippines | 120 |
| Presidential Documents Free-World Cooperation and America's Security | 103 |
| President Answers Congressional Query on Trade Agreements Legislation | 132 |
| President Calls for Serious Consideration by Soviets of Western Procedural Proposal for Summit Conference Visit of Carlos P. García, President of the Republic of the | 95 |
| Philippines (text of joint statement) Visit of Sardar Mohammad Daud, Prime Minister of Afghanistan (text of joint statement) | 120 |
| Afghanistan (text of joint statement) | 127 |
| Treaty Information Current Actions Visit of Sardar Mohammad Dand, Prime Minister of Af- | 134 |
| ghanistan (text of cultural agreement) | 127 |
| U.S.S.R. Genera Technical Talks (texts of U.S. and Soviet aide | |
| memoire) President Calls for Serious Consideration by Soviets of Western Procedural Proposal for Summit Conference | 101 |
| (Eisenhower, Khrushchev, Department statement) . | |
| Secretary Dulles' News Conference of July 1 | 95 104 |
| Secretary Dulles' News Conference of July 1 U.S. Urges Soviet Action on Release of Helicopter Crew | 95 104 108 |
| Secretary Dulles' News Conference of July 1 | 104 |
| Secretary Dulles' News Conference of July 1 U.S. Urges Soviet Action on Release of Helicopter Crew and Passengers | 104 |

| Dillon, Douglas | | | | | | | | | | 111 |
|------------------------|--|---|-----|-----------------|----|----|-----|------|------|------|
| Dulles, Secretary . | | | | | | | 104 | . 1 | 11. | 127 |
| Elsenhower, President | | | . : |) 5. | 10 | 3. | 120 |). : | 127. | 132 |
| García, Carlos P | | | | | | | | | | 120 |
| neuss, Theodor | | | | | | _ | | | | 126 |
| Exhrushelley, Nikita . | | | _ | | | | | | | - 95 |
| McLaughin, Robert E. | | | | | | | | | | 120 |
| менарасе, Konert Б | | | | | | _ | | | | 134 |
| Mills, Wilbur D. | | | | | | ٠ | | | | 132 |
| Mixon, vice President | | _ | | | | | | | | 127 |
| Wailes, Edward T | | | | ٠ | | | | | | 134 |
| | | | | | | | | | | |

Check List of Department of State Press Releases: June 30-July 6

Press releases may be obtained from the News Division, Department of State, Washington 25, D.C. Releases issued prior to June 30 which appear in this issue of the BULLETIN are Nos. 320 of June 13, 331 of June 16, 338 of June 21, 349 of June 24, 351 of June 25, and 357 and 359 of June 26.

| No. | Date | Subject |
|--------|-------|--|
| †363 | 6/30 | |
| 364 | -6/30 | U.S. aide memoire on Geneva talks. |
| *365 | 6/30 | Dulles: letter to retiring despatch agent. |
| †366 | 6/30 | |
| †367 | 6/30 | Kohler: Freedom Day celebration. |
| †368 | 7/1 | Murphy: Colgate foreign policy con- ference. |
| 369 | 7/1 | Dulles: mutual security funds (combined with No. 372). |
| 370 | 7/1 | U.S. aide memoire on detention of Americans in Soviet Zoue of Germany. |
| 371 | 7/1 | Dillon named Uuder Secretary for Economic Affairs (rewrite). |
| 372 | 7/1 | Dulles: news conference. |
| *373 | 7/1 | ICA insures Ronson investment in France. |
| †374 | 7/1 | DLF loans to Ceylon, Pakistan, and Paraguay (rewrite). |
| 375 | 7/1 | Menapace appointed deputy director of Development Loan Fund (rewrite). |
| †376 | 7/1 | Communication on Korean unifi- eation. |
| †377 | 7/2 | Herter: statement on speech by Attorney General. |
| *378 | 7/2 | Gallman nominated Ambassador to Arab Union (biographic details). |
| †379 | 7/3 | Visit of Shah of Iran. |
| 380 | 7/3 | Secretary Dulles to visit Brazil. |
| *381 | 7/3 | U.S. awards Medal of Freedom to Belgian Commissioner General of Brussels exhibition. |
| †382 | 7/3 | U.STunisia loan agreement. |
| †383 | 7/3 | Erroneous reports on arms deliveries to Cuba. |
| †384 | 7/3 | U.S. and U.K. sign new atomic energy agreement. |
| †384-A | 7/3 | Text of U.SU.K. atomic energy agreement. |
| †385 | 7/3 | DLF loau authorized for Iran. |

^{*}Not printed.

[†]Held for a later issue of the BULLETIN.

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THE DEPLY DENT OF STATE

July 28, 1958 Vol. XXXIX, No. 996 BASIC ELEMENTS IN U.S. FOREIGN POLICY • by THE DEFENSE OF FREEDOM • by Foy D. Kohler . . . 154 UNITED STATES AND UNITED KINGDOM SIGN NEW AGREEMENT UNDER AMENDED ATOMIC ENERGY ACT 157 157 161 THE TRUST TERRITORY OF THE PACIFIC ISLANDS • Statement by Delmas H. Nucker 165

For index see inside back cover

THE DEPARTMENT OF STATE

Bulletin

Vol. XXXIX, No. 996 • Publication 6677

July 28, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special urticles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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Basic Elements in U. S. Foreign Policy

by Deputy Under Secretary Murphy¹

Perhaps at no time in its history has this country, one of the world's oldest democracies, faced a more stimulating combination of circumstances in its foreign relations. I know that the many facets of the international situation will be defined in your roundtable discussions. I shall touch on a few of them.

The basic tenet of United States foreign policy is constant: to promote the welfare and security of the American people. Everything that is planned and done in this field relates to that principle and concerns the means, the strategy, and tactics of achieving that objective. But our aims are not limited to selfish considerations. It is obvious that our people are not happy if they annot contribute to the progress and well-being of the world at large.

It has been well said that "the problem of forign policy is not arithmetical or mathematical, t does not lend itself to precise answers. It is problem of avoiding disaster; of maintaining he momentum toward a better future."

To say that we live in a dynamic rather than static era is, of course, stating the obvious. There is an emotional wave of nationalism in nany of the areas which for centuries were dormant. There is a drive for higher living standards in the less developed regions where people re in varying degrees alerted to the possibilities f a more abundant life. There is also a new imerialism, which is a dangerous blend of ideology

and power politics. It overshadows our relations with the peoples of many countries. Years ago, when the United States was not a great world power, much of this perhaps would have passed us by. Today with the power position which we occupy, whether we like it or not, almost every political happening in the remotest corners of the earth, every financial, economic, and social repercussion, registers in one form or another in Washington. The appointment of a particular personality as Soviet Ambassador to Outer Mongolia, a Chinese Communist incursion into northern Burma, the election of a chief minister at Singapore, a disturbance in Muscat and Oman, or troop movements in Rio de Oro are events which become woven into the tapestry of our foreign relations.

Now let us look at a few of the major things which have an impact on our national destiny.

National Defense and Collective Security

We are engaged in a national defense effort at a cost measured in dollars of about 40 billions annually. This is not done for fun or in isolation but as part of a vast collective security effort. Why do we assume this burden? It is not in our tradition. We assume it because of necessity. It is a basic element in our present foreign policy. We do it because of the simple principle I mentioned in the beginning. It is necessary for the welfare and security of the American people.

We have security arrangements with some 42 nations. Most of these are collective arrangements; some are bilateral. The collective ar-

¹ Address made before the 1958 Colgate Foreign Policy onference at Hamilton, N.Y., on July 1 (press release 38).

rangements started with the Pact of Rio de Janeiro in 1947 and gained strength with the North Atlantic Treaty Organization, ANZUS, and SEATO. We are also associated with the Baghdad Pact.

The necessity arises from the threat offered to our security by the new imperialism I mentioned. That imperialism is backed by a totalitarian concentration of military effort and organization which draw on the resources of a vast area and hundreds of millions of captive people who can afford to assume this burden far less than we.

When the United States signed the North Atlantic Treaty in 1949, in a sense it crossed the Rubicon. Yet even today I believe there are many in Europe as well as the United States who do not fully appreciate the fundamental change which occurred in American foreign policy when our Senate advised and consented to the ratification of that treaty. I refer to the provision which obligates this country to the principle that an attack against one is an attack against all. Thus, if any one of the 15 members of the North Atlantic Treaty group is attacked, whether Canada or Turkey or Norway, it is considered as an attack against them all. Of course, when President Washington expressed his aversion to entangling alliances, he was not faced with a threat to the national security arising from a powerful foreign imperialism. It is evident that a danger of such magnitude cannot be treated in isolation.

When we consider our collective security relationships, I think we should be careful to avoid thinking of them solely as obligations. They are also priceless assets. Our farflung alliances have imposed burdens upon us but have simultaneously given us enormous benefits. In NATO alone, for example, our allies have some 3 million men under arms and are spending more than \$15 billion annually for defense purposes. This represents a sizable addition to the total defensive power available for the protection of the United States and Europe alike. And in this modern age it is essential that all of us learn to think in terms of total defense.

Communist political, military, and economic subversion and aggression cannot be held in check by the United States alone, even with much greater expenditures of effort and resources than anyone has yet imagined. Successful defense re-

quires an effective combination and utilization of the money, manpower, industry, science, raw materials, and other resources of the free world as a whole. A great many of the problems and activities involved in the conduct of American foreign policy today can be understood only if one also understands this basic truth.

U.S. Position on Disarmament

Hand in hand with our national defense effort and our policy of collective security goes our effort to achieve safeguarded disarmament. This would seem to be a paradox, and actually it is. Armament, however, is actually symptomatic of a fundamental lack of confidence, of a basic distrust and perhaps hostility between two forces. The question really is—can disarmament be achieved if the basic cause is not remedied?

Our determination to progress in the field of disarmament is sincere. It is based on hope that the very negotiations on practical disarmament measures between the United States and our allies on the one side and the Soviet Union on the other may be productive of better understanding. It may eliminate or at least reduce the suspicions and distrust which Soviet actions have generated in the free world.

At the same time we are determined that in these negotiations we will negotiate from positions of strength and not of weakness. I know this is anathema to Moscow. Unfortunately, we have learned from sad experience that it may be fatal to deal with the Soviet Union if this is attempted from positions of weakness. Our postwar experience taught us much. After World War II we disarmed with abandon. We were subsequently faced with the Berlin blockade, followed by Korea. If we had been alert and strong, the Berlin blockade would not have been attempted. Our inability to meet that issue squarely on the ground, with all due respect to the brilliantly executed airlift, led to the Communist probe ir Korea.

These two experiences, as expensive as they were, served as a valuable lesson that we cannot afford the risk of dealing from positions of weak ness. We cannot forget that the principles of Lenin, on which Mr. Khrushchev lavishes so much affection, call for constant aggressive pursuit of the universal aim of world domination. Today

this might be of peaceful penetration in the cultural and scientific fields, in industry and commerce; tomorrow in the grimmer fields of political sabotage or military adventure. The goal is constant.

You will note that I referred to safeguarded disarmament. A system of disarmament without an adequate provision for inspection and control in the light of our experience in the past is unacceptable. This position was developed and clarified during 4 months of intensive negotiations last year in London. When it became apparent to the Soviet Union that the Western Powers had gone as far as prudence would reasonably permit, both in respect of conventional forces and nuclear weapons, the Soviet Union changed the signals. It terminated its participation in the United Nations Disarmament Commission and resorted to the subterfuge of an appeal to the General Assembly to enlarge the membership of the Commission to 82. In addition to this evasive resort to procedural pretexts, which is standard Soviet practice, there were other maneuvers designed to distort the basic principle of safeguarded disarmament. However, we continue the effort to progress. We recently agreed to discuss on the technical level at Geneva beginning today the question of detection of nuclear explosions.2 Despite Soviet backing and filling we propose to make a bona fide effort to explore this problem.

Mutual Assistance and Development Loans

Closely linked to our policies in the field of collective security is the program of mutual assistunce and development loans. Our policy of foreign aid is well known. It was begun in 1947. It has contributed substantially to the security and well-being of the free world, including the United States. If further proof were needed that t succeeded, it could be found in the adoption by he Soviet Union in 1955 of a foreign aid program of their own. Imitation no doubt is the inest form of flattery. But whether it is flattery or not, the Soviet Union's foreign aid program provides an additional competitive element in our oreign relations. It is prosecuted with a certain realism. It is not dependent on annual appropriations after public debate in which intimate details are laid out on the counter for all to see. Taking advantage of a surplus of obsolescent military equipment which results from an intensive arms production ever since the end of World War II, the Soviet Union has, directly and through its satellites, especially Czechoslovakia, generously offered arms on easy terms wherever its political objectives were promoted. Notwithstanding economic difficulties at home and with the benefit of an appropriations system shrouded from the public view, it engaged in a program of grant aid and long-term loans on a 2 percent basis.

One of the classic features of Soviet military tactics in World War II was concentrated artillery fire of the blockbuster type. Its foreign aid program is marked by similar tactics. Its political system enables it to juggle its budget in secret. It can rob Peter to pay Paul without benefit of parliamentary committee investigation. To promote its objectives in a given area it can freely dispense largess, and the strings are now-adays attached much more subtly and unobtrusively than formerly. Thus, in a field in which we pioneered, we now find ourselves up to our armpits in competition in some areas.

As we progressively move away from grant aid with improved conditions in the free world, trade becomes of increasing importance. Thus it was one of the major topics discussed by our distinguished friend, British Prime Minister Macmillan, during his recent Washington visit. In particular, the importance of our reciprocal trade legislation is enhanced. The executive branch has urgently recommended the enactment of a revised Trade Agreements Act which is now before Congress. And our trade policies must adapt themselves to the competitive situation in which we find ourselves. Our principal competitor is not bound by the rules of the trading system which we have taken for granted through the years.

Our role as a creditor nation is clearly marked out for us, and it is and must be a major factor in our foreign policy. We need secure trade abroad, just as we need access to raw materials in proportion to the rapid growth of our population. We must play a progressive and substantial role in the world trading and investment system. If we do not, the Soviet bloc with its program of skillfully blended aid and trade, barter and technical assistance, cheap military equipment and

luly 28, 1958

² For background, see Bulletin of July 14, 1958, p. 47.

cheap loans, all geared into a series of worldwide political objectives, will enjoy an easy victory.

Anti-Americanism

It is my observation that good foreign relations are not based always on sentimental considerations. These certainly play a role. There are traditional sympathies and antipathies. There are old friends who sometimes are more tolerant of our deficiencies than new competitive elements in the international orbit. Thus we witness considerable debate on the subject of anti-Americanism. It is my impression that Americans generally want to be liked and to be popular. That, no doubt, is quite normal. In our earlier small-power days we were often not taken quite as seriously abroad as we regarded ourselves at home. There was often little or no contact.

Today, with hundreds of thousands of Americans stationed in farflung establishments and bases around the world and with vast facilities of travel and communication, we must expect criticism and even antagonism mixed with the widespread regard and affection I am convinced we do enjoy. Our citizens who travel abroad are representatives of a great power. Other nationals regard them as such. There may be envy of our comparative wealth; there may be criticism of defects of good manners and misunderstandings of attitudes in which languages play a role, as well as antagonisms generated by communistic or other elements. In our reading and evaluation of the volume of reports which flow every day into the Department of State and the Government generally, it is not my observation that the position of this country has deteriorated, that it is held in lower esteem. And we continue to do a great deal to offset or correct whatever misunderstandings we run into.

It is true that critics and antagonists—and they have always existed—today possess more highly organized means of communication and action. Often they are stimulated by an international Communist apparatus, operating as it does through a network of local organizations. How does this work? Let us examine one or two instances. Take France as one. The Communist Party has the largest representation in the National Assembly. The Communists have control of the largest trade-union organization, to say

nothing of a number of groups, committees, and local front associations. With all this there is a readymade setup for the dissemination of anti-American slogans and insidious criticisms designed to destroy French confidence in American policies and objectives.

Take the North African question as another example. Through many channels the Communist central party organization has put out stories that the United States is maneuvering to supplant France in North Africa and especially to deprive it of the petroleum of the Sahara. Now, as absurd and untrue as this appears to you and me, these stories pumped out for years through various Communist-controlled French sources become beliefs on the part of the uninformed. At times these beliefs lead to anti-Americanism. On the other hand, many Arabs in North Africa believe, and have been informed by Communist sources over and over, that without American support France could not have maintained a position in North Africa. To these Arab elements we are pictured as an imperialist colonial power supporting another colonial power. Again there are anti-American manifestations by Arab groups based on the false beliefs thus created by Communist elements.

These are not easy problems. They are the subject of constant effort by our Government. No doubt there is validity in the saying that the truth is mighty and will prevail. We try to make it prevail in time.

"Summitry"

A word has been coined to describe recent developments. It is called summitry. It evokes memories of other days when summitry came into vogue—the war days. Those were the days too when it was considered at times quite a diplomatic feat to induce the Soviet Union even to attend meetings with the West. However, the prospect of a meeting at that level usually inspires thoughts and hopes that opportunity for the solution of major issues may be provided and the way paved for better understanding. No country is more eager to see those results than the United States. Meetings at the summit have not provided those solutions nor created better understanding. Perhaps, if they are better prepared in advance, some good, if modest, results could be

achieved. In simple terms that is the policy of our Government regarding the present suggestions for a meeting at the summit.

It is useful to realize that there are certain inevitable limitations upon what we can logically expect from any kind of negotiation with the Soviet rulers at the present time. The tensions and differences that we hope to eliminate are not mere surface phenomena, based upon faulty understanding or petty conflicts of interest. The root of our difficulty lies in the fact that the Soviet Government has never wavered from its determination to achieve eventual world domination. Nor have we any reason to suppose that the Soviet rulers are prepared to abandon this goal in the foreseeable future. They appeal for a termination of the "cold war" but refuse even to consider an alteration of the imperialist policies and activities that caused the cold war. In effect they are telling us that all our problems will disappear—that everything will be just fine—if we will simply lie down and permit ourselves to be controlled by the Soviet Union. In other words, the way to get peace is to cease resistance and to give in to them on everything.

This idea is not exactly new, of course. It has been the theme of a large number of aggressors throughout history. But it is no more acceptable to us today than it was to our ancestors. We will never stop resisting efforts to expand Communist tyranny, whether these efforts take a military or nonmilitary form. This is one "difference" that is not negotiable. It can be resolved only by a thoroughgoing change in the basic policies and purposes of the Soviet system. We are prepared to conduct negotiations at any time on any subject where such negotiations give reasonable promise of contributing to international peace and security, but we should never kid ourselves into believing that a few kind words will magically eradicate the Soviet design for world conquest.

It should be remembered that there is no lack of means of negotiation to arrive at better understanding between East and West. Throughout the postwar years we have constantly been in negotiation with the Soviet Union at the different echelons, bilaterally, multilaterally, and in the various organs of the United Nations. We know that there is a continuing value in the ordinary diplomatic channel. The Soviet Ambassador in Washington has ready access to our Government

at any time. Our embassy in Moscow is available to the Soviet Government at any hour.

The difference between earlier years and now may be that as a result of experience we no longer labor under an illusion that a meeting at the summit without painstaking preparation by the several governmental organs on both sides can provide solutions for the problems which trouble the peace and security of the world. On the other hand, to engage hastily in that type of spectacular show under klieg lights and intensive propaganda effects may mislead and deceive the unwary. It might damage the security of the free world by lulling its nations into a false sense of peace which would impair their will to sacrifice for unity and strength. With the benefit of past and costly experience, we are moving forward in close harmony with our allies, leaving no stone unturned in our search for useful and constructive means to liquidate cold-war differences. Perhaps we detect lately, in our efforts to analyze the various topics which might find their place in an agenda of an eventual summit meeting, less eagerness on the part of Moscow to move forward in a businesslike fashion than we would like. Be that as it may, on our side we are proceeding in good faith with the exploratory talks, hoping that the evolution of affairs may bring about resolution of some of the problems that beset us.

There is, of course, an area where we are in the dark. I refer to the Sino-Russian relationship. Consider for a moment the recent intensity of the Peiping animus against Marshal Tito, which seemed to be a prelude to the execution of Imre Nagy. Surely these vitriolic Chinese attacks reflect an attitude that must be the cause of concern in Moscow. The Chinese revolution is at a much earlier stage than the Russian. Peiping is much more doctrinaire in its Marxism than seems to be the case with the Moscow leadership. Yet Moscow cannot afford to antagonize Mao and his fervent associates. I believe they stand for an even more aggressive attitude than does Khrushchev; even though the two of them appear to be working closely together today, the Sino-Russian relationship is the source of serious difficulty for Moscow and, partially at least, explains some of the erratic trends which often mystify the West. The evolution of that relationship will no doubt exercise a profound effect on our international position.

July 28, 1958

An Affirmative Approach

I would like to leave with you the thought that the strength of our present situation permits an affirmative approach to our international problems. If I may say so, after 40 years of observation of and contact with foreign affairs, there seems to me a readier tendency in this country to belabor and disparage American efforts to promote our interests abroad. I find that our domestic reflections are at times more drastic than the hostile propaganda of the adversary. course this may be a healthy indication of more active interest in foreign affairs by the American At the same time Americans provide free of charge enormous publicity for the Soviet leadership. In turn the Soviet regime permits its population only a highly distilled and slanted version of events and attitudes in this and other Western countries. I know that we must live with this discriminatory situation, and perhaps in the end it will be to our advantage. It is, however, a reason for some of the pessimism which is at times generated by the imbalance in the public-information field.

Our future lies not alone in the material welfare of our people and the power of our nation but in the spiritual and moral qualities of our citizens. The world does recognize those qualities, notwithstanding the cynicism of an antagonistic ideology.

In the next few days this conference will cover many of the strengths and weaknesses of our nation and of our position in the world today. It is one of our great strengths that we can have meetings like this and can make an objective appraisal. I know the results will be valuable to the Department of State.

U.S. Asks Soviets To Return DC-6 Crew Forced Down in U.S.S.R.

U. S. MEMORANDUM OF JUNE 30 1

Press release 366 dated June 30

The Government of the United States acknowledges the receipt of the memorandum of the So-

viet Government handed to Ambassador Thompson by Foreign Minister Gromyko on June 28, 1958.

It has been ascertained that an unarmed military transport Air Force plane of the DC-6 type with destination Teheran via Turkey is missing. It is undoubtedly the plane which the Soviet Union charges crossed the border of Soviet territory and was forced to land near Yerevan, USSR.

This was a routine flight, on a regular bimonthly schedule, earrying cargo consigned to United States military and diplomatic missions in Iran and Pakistan. The flight originated in Wiesbaden, Germany for Teheran and Karachi. Its last departure point was Nicosia, Cyprus, with destination Teheran by the prescribed international civil airways route. It was last reported over Adana, Turkey at 1323 local time on June 27. This commercial air lane to Teheran passes within about 50 miles of the Soviet border. The weather was overcast. Due to high mountains along the route, it is presumed that the aircraft was flying above the overcast on instruments and radio beacon guidance and had no visual reference to ground check points.

The usual request for diplomatic clearance had been made to Teheran, Iran and had been granted.

If in fact the aircraft which was forced by Soviet fighter aircraft to land on Soviet territory, inadvertently, by navigational error, crossed the Soviet frontier, the Government of the United States regrets that fact. The United States Government must however, reject as entirely unfounded the charge that an intentional violation occurred.

In the light of the foregoing circumstances, the Soviet Government is requested promptly to return to American control the nine crew members who are presently detained by Soviet authorities and also the aircraft, if it is or can be made operational; and if not, its salvageable parts. The American Embassy at Moscow is authorized to make all necessary arrangements to these ends with appropriate Soviet authorities.

SOVIET NOTE OF JUNE 28

Official translation

The Government of the USSR considers it necessary to state the following to the Government of the USA:

¹ Delivered by American Ambassador Llewellyn E. Thompson to Soviet Minister of Foreign Affairs Andrei A. Gromyko at Moscow.

On June 27 of this year, at 18 hours 30 minutes Moscow time, a four-motored military airplane with identification marks of the Air Force of the USA violated the state frontier of the Soviet Union in the area south of the city of Yerevan and penetrated into the air space over the territory of the Soviet Union to 170 kilometers.

The American airplane was intercepted by two Soviet fighter planes which, by means of signals, proposed that it should follow them for landing at the nearest airdrome. The trespasser airplane did not submit to this demand. The Soviet tighters forced the trespasser airplane to land. It landed on Soviet territory in the area situated at a distance of 240 km, from the place of violation by it of the state frontier of the Soviet Union, and burned.

After lauding of the trespasser aircraft, nine members of the crew of this airplane were detained. They were dressed in American military uniform. As appears from the testimony of these persons and from documents on their persons, all those detained are in the service of the Air Force of the United States of America.

The facts adduced give evidence that an intentional violation by an American military aircraft of the state frontier of the USSR has taken place.

As is known, eases of similar violation have also taken place previously, but the Government of the USA, notwithstanding full grounds for information which has been communicated by the Soviet Government, and contrary to the facts, has denied that American airplanes violate the state frontier of the Soviet Union. Circumstances connected with the violation by the American military aircraft of the state frontier of the USSR on June 27 are such that now, one must suppose, the Government of the USA will not deny the fact of this violation.

The Government of the Soviet Union makes determined protest to the Government of the USA against this crude violation by an American military aircraft of the Soviet frontier.

The Soviet Government has frequently drawn attention of the Government of the USA to the facts of violations by American military airplanes of the air space of the Soviet Union and has pointed to those serious consequences to which such violations can lead. It has insisted on adoption by the Government of the USA of suitable measures for prevention of such violations.

Unfortunately, it is necessary to confirm that the Government of the USA has not taken this course.

One cannot but see that such a position of the Government of the USA does not help to reduce tension in relations between our countries, although the Government of the USA has also often asserted that it, like the Government of the Soviet Union, aspires to improve these relations. Such a position of the Government of the USA does not jibe with its peace-loving declarations and leads to sharpening not only of relations between the USSR and the USA, but also hinders amelioration of the international situation as a whole.

The Soviet Government insists that the Government of the USA take effective measures for the prevention

of violations by American military aircraft of the state frontier of the USSR.

Moscow, June 28, 1958.

U.S. Reiterates Request for Release of Helicopter Crew and Passengers

U.S. AIDE MEMOIRE OF JULY 31

Press release 390 dated July 9

On June 20° and July 1, 1958° the Department of State raised with the Soviet Embassy in Washington the detention since June 7 in the Soviet Zone of Germany of the crew and passengers of a United States Army helicopter and requested that arrangements be made for the immediate return of the men and the helicopter to United States control.

On July 2 the Department of State received from the Soviet Embassy a note which took exception to the position of the United States Government that the Soviet military authorities in Germany bear the responsibility for the return of the helicopter and its crew. The Soviet note states:

From the moment of its landing the American helicopter and its crew have been in the custody of the German Democratic Republic. It is therefore natural that all questions pertaining to the return of the helicopter and its crew should be settled with the Government of the German Democratic Republic.

It is evident that the position taken in the Soviet note of July 2 is based on a misconception of the legal and factual situation.

As to the legal situation, the responsibility of the Soviet military authorities in this case is clearly established by the agreements between the United States and the Soviet Union cited in the Department of State's aide memoire of June 20. This responsibility plainly remains unaffected in any way by internal arrangements which the So-

July 28, 1958

¹ Handed by Under Secretary Herter to Soviet Chargé d'Affaires ad interim Sergei R. Striganov at Washington on July 3.

² For background and the text of the U.S. aide memoire of June 20, see Bulletin of July 14, 1958, p. 50.

³ Ibid., July 21, 1958, p. 108,

viet authorities may make with the local German authorities of their Zone.

Furthermore, the direct responsibility of the Soviet Government is clearly confirmed by the uniform practice of the Soviet military authorities in Germany in cases prior to this one. The most recent case was the return of three United States airmen on May 28, 1958.

As to the factual situation, the Government of the United States points out that Soviet responsibility is clearly reflected by the initial action which the Soviet and local German authorities took in dealing with this case. During the press conference organized by the local German authorities on July 2 it clearly emerged that the crew and passengers of the helicopter went to the local police when their aircraft was disabled and were immediately and properly turned over by the latter to a Soviet officer at a Soviet camp. While in Soviet custody, some of the men were interrogated by Soviet officers.

The Government of the United States expects that the Soviet Government will realize not only that the continued detention of the men is incompatible with Soviet responsibility established by agreement and confirmed in practice but also that the attempts of the local German authorities to extort some form of advantage from the situation cannot be reconciled with the practices of civilized communities.

The Government of the United States therefore reiterates its request that arrangements be made for the immediate release of the helicopter crew and passengers.

Department of State, Washington, July 3, 1958.

SOVIET NOTE OF JULY 24

Official translation

Note No. 18

In connection with the aide-memoire transmitted by Mr. Murphy on June 20 concerning the American helicopter which violated the airspace of the German Democratic Republic and lauded on its territory, the Embassy of the Union of Soviet Socialist Republics has the honor to communicate the following:

The assertions contained in the aide-memoire to the effect that the Soviet military authorities in Germany bear responsibility for the return of the American helicopter can in no way be considered as well founded. As is well known from the published agreements between the Governments of the USSR and the GDR, the Soviet troops temporarily stationed in the territory of the German Democratic Republic are not occupation troops and do not interfere in the internal affairs of the GDR, whose government is completely sovereign. From the moment of its landing the American helicopter and its erew have been in the custody of the authorities of the GDR. It is therefore natural that all questions pertaining to the return of the helicopter and its erew should be settled with the Government of the German Democratic Republic.

The Soviet Government knows of cases where similar incidents have been successfully settled by agreement between the GDR and the other party concerned, which fully corresponds to accepted international practice.

Considering the fact that the United States of America does not have diplomatic relations with the German Democratic Republic, the representatives of the Command of the Soviet troops, temporarily stationed in the territory of the GDR, assisted the representatives of the USA in establishing contacts with the competent authorities of the German Democratic Republic. As may be seen from official communications of government agencies of the GDR, the Ministry of Foreign Affairs of the GDR has transmitted to the Department of State of the USA a note expressing readiness to settle the said incident and confirmed this readiness during meetings between representatives of the Foreign Ministry of the GDR and the American Military Command. Hence, appropriate representatives of the USA have full opportunity to settle with representatives of the German Democratic Republic all questions pertaining to the return of the American helicopter and its crew.

Washington, D. C., July 2, 1958

Relationship of Geneva Technical Talks and Suspension of Nuclear Tests

On July 10 the Department made available to news correspondents the following chronology of relationship between the Geneva technical discussions and the suspension of nuclear tests.

The United States has consistently made clear that the Geneva technical discussions conference on nuclear tests was technical only and would not in itself constitute a political commitment of any kind.

⁴ Delivered to the Department of State by Soviet Chargé d'Affaires ad interim Sergei R. Striganov on July 2.

On April 28, 1958, President Eisenhower, in a letter to Chairman Khrushchev, alled upon the Soviet Union to reconsider a proposal for such a technical conference, originally put forward by the United Kingdom, France, Canada, and the United States at the 1957 London disarmament talks. The President noted that technical studies on various aspects of disarmament, including nuclear test detection, "are the necessary preliminaries to putting political decisions actually into effect." The letter went on to state that,

The completion of such technical studies in advance of a political agreement would obviate a considerable period of delay and uncertainty. In other words, with the practicalities already worked out, the political agreement could begin to operate very shortly after it was signed and ratified. I re-emphasize that these studies are without prejudice to our respective positions on the timing and interdependence of various aspects of disarmament.

In reply, Chairman Khrushchev, while not agreeing to technical studies on all aspects of disarmament, did agree to undertake a technical study of a nuclear detection system to verify any agreed suspension of atomic and hydrogen weapons tests. His May 9, 1958, letter 2 stated that:

The Soviet Government agrees to having both sides designate experts who would immediately begin a study of methods for detecting possible violations of an agreement on the cessation of nuclear tests with a view to having this work completed at the earliest possible date, to be determined in advance.

In response to Chairman Khrushchev's letter of May 9, 1958, President Eisenhower, in a letter dated May 24, 1958, noted with satisfaction that

... you accept, at least partially, my proposal that technical persons be designated to ascertain what would be required to supervise and control disarmament agreements, all without prejudice to our respective positions on the timing and interdependence of various aspects of disarmament.

On May 30, 1958, Chairman Khrushchev in the second paragraph of his letter ⁴ stated that, while the President's letter of May 24 contained no answer to the problem of immediate cessation of nuclear tests, the Soviet Union would agree to the convening of a meeting of experts to study the technical considerations in a nuclear test detection system.

President Eisenhower's reply on June 10, 1958,4 expressed satisfaction that the Soviets had accepted his proposal that technical experts meet but again reiterated that these talks would not in themselves constitute a commitment on suspension of tests. The letter read in part as follows:

I have your letter of May 30 and am glad to note that you have accepted my proposal that technical experts meet to study the possibility of detecting violations of a possible agreement on suspension of nuclear tests. These talks would be undertaken without commitment as to the final decision on the relationship of nuclear test suspension to other more important disarmament measures 1 have proposed.

On the same day (June 10, 1958) Secretary Dulles, at a press conference,⁵ said, in reply to a question whether technical talks would fore-shadow political agreement to suspend tests, that they would have some bearing on this matter. He went on to say that

... if we do come to an understanding, it will facilitate an agreement to suspend testing although I would anticipate that any agreement to suspend testing, if made, would not be an isolated agreement but be a part of other arrangements and anticipate that there would be progress made in other fields.

Three days later, on June 13, 1958, the Soviet Government in an aide memoire, noted with satisfaction that the Soviet Government and the Government of the United States agree that a meeting of experts should be held at an early date to study the means of detecting nuclear explosions.

However, the aide memoire went on to say that

The Soviet Government, as it has already declared, proceeds from the assumption that the work of the experts will be concluded in a short time and that, as a result, agreement will be reached on the suspension of nuclear weapon tests by all powers possessing them.

At a press conference on June 17, 1958,7 Secretary Dulles, in answer to a question as to whether the Soviet aide memoire of June 13, 1958, would put us "under obligation to agree to the suspension of tests, quite apart from other elements in the disarmament package," said

... it was agreed from the beginning that this study by the experts would be conducted without prejudice to the question of whether or not there would be a suspension of testing or the interrelation of any suspension of

July 28, 1958

¹ Bulletin of May 19, 1958, p. 811.

² Ibid., June 9, 1958, p. 940.

³ Ibid., p. 939.

⁴ Ibid., June 20, 1958, p. 1083.

⁵ Ibid., p. 1085.

 $^{^{6}}$ For an unofficial translation, see $ibid.,\ \mathrm{July}\ 7,\ 1958,\ \mathrm{p.}\ 11.$

^π *Ibid*., p. 6.

testing with other matters. And the Soviets accepted to have the experts study it on those conditions.

In an aide memoire delivered to the Soviet Government on June 20, 1958,8 the United States noted that the question of the relationship between the technical meeting and the cessation of nuclear tests had been clearly set forth and agreed in previous exchanges of communications between the U.S.S.R. and the United States.

On June 24, 1958, the Soviet Minister of Foreign Affairs gave to the United States Ambassador an aide memoire ⁹ which confirmed the fact that the talks were about to take place. The opening paragraph stated that

The Soviet Government notes that agreement has been reached between sides regarding the fact that the conference of experts for determining means of disclosing nuclear explosions will start its work July 1 in Geneva. . . .

The aide memoire concluded that the

... work of conference of experts should aid in most rapid cessation of tests of atomic and hydrogen weapons by all states disposing of such weapons.

Some 24 hours later, June 25, 1958, the Soviet Foreign Minister handed another aide memoire to the United States Ambassador.¹⁰ In the aide memoire the Soviet Union stated that

. . . Mr. Dulles, answering the question would agreement of the experts about methods of inspection lead to the corresponding sides taking upon themselves the obligation of terminating tests of nuclear weapons [June 17 press conference], declared that the work of the experts must be carried out "without deciding the question beforehand whether or not the tests will be temporarily terminated."

The Soviet aide memoire stated that, if these conditions were indeed so, the Soviet Union "cannot send its experts" to the technical talks. However, the aide memoire in conclusion said that

The Soviet Government would like to receive from the Government of the United States of America confirmation that the meeting of the experts must be subordinated to the resolution of the problem of the universal and immediate cessation of tests of nuclear weapons and that, in consequence, the goal of this conference remains such as it was formulated in the exchange of communications between the Soviet Government and the Government of the United States of America.

In response to the request noted in the Soviet aide memoire of June 25, 1958, the United States

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Ambassador in Moscow, on instructions from President Eisenhower, sent a letter to the Soviet Foreign Minister ¹⁰ which affirmed the intention to proceed with the conference as previously agreed:

... the United States considers the aims of the Conference of Experts remain as determined in the exchange of correspondence between the Soviet Government and the United States Government and as confirmed by the Soviet agreement of June 24 and that so far as we are concerned the conference will proceed as agreed. Experts from the United States are already en route.

Three days later, on June 28, 1958, the Soviet Union, in an aide memoire, 11 stated that the United States "dodged" the question put by the Soviet Union in its aide memoire of June 25 and asked the United States to make an "unequivocal statement" on what purpose the Geneva talks are to serve.

On June 30, the United States delivered an aide memoire to the Soviet Union ¹¹ again reiterating its position on this matter. Noting that the Soviet Union had previously agreed on the task of the experts which "is to study methods of detection of possible violations of an agreement on the cessation of tests," the aide memoire further stated that:

The position of the Government of the United States has been clearly and unequivocally expressed from the time of its initial proposal. In his letter of April 28, President Eisenhower proposed to Chairman Khrushchev that technical people start to work immediately upon the practical problems of supervision and control which are indispensable to dependable disarmament agreements, and stated that:

"I re-emphasize that these studies are without prejudice to our respective positions on the timing and interdependence of various aspects of disarmament."

It was in reply to this letter that Chairman Khrushchev on May 9 stated that the Soviet Government agreed to having both sides designate experts for the study which is now about to begin.

U.S. Rejects Soviet Protest on Attorney General's Speech

Following is the text of a statement read by Under Secretary Herter to Soviet Chargé d'Affaires Sergei R. Striganov on July 2. The statement is in reply to one which was read to U.S. Ambassador Llewellyn E. Thompson on July 1 at

⁸ Ibid., p. 11.

⁹ Ibid., July 21, 1958, p. 102.

¹⁰ Ibid., July 14, 1958, p. 47.

¹¹ Ibid., July 21, 1958, p. 101.

Moscow by Soviet Foreign Minister Andrei Gromyko, concerning a speech made by U.S. Attorney General William P. Rogers at Chicago on June 21.

U.S. STATEMENT

Press release 377 dated July 2

The United States Government refers to the oral protest made to Ambassador Thompson by Foreign Minister Gromyko on July 1 regarding the speech of United States Attorney General William P. Rogers in Chicago on June 21.

The United States Government rejects this protest. It is based on a misleading presentation of the Attorney General's remarks. It apparently also stems from the wide divergence in view between the United States Government and the Soviet Government as to the facts concerning the events in Hungary since October 1956, including the recent executions of former Hungarian Premier Imre Nagy, General Pal Maleter and two of their associates. The United States shares the view of the overwhelming majority of the members of the United Nations with regard to the Hungarian revolution as recorded in the pertinent resolutions of the General Assembly and in the report of the United Nations Special Committee on Hungary.

In the view of the United States Government, it is actions such as the Soviet intervention in Hungarian affairs rather than the remarks of an American governmental official which tend to impair mutual confidence and normal relations between the United States and the Soviet Union.

SOVIET STATEMENT

Official translation

The Soviet Government considers it necessary to draw the attention of the Government of the U.S.A. to the statement of the Minister of Justice of the U.S.A., Mr. W. Rogers, who, in making a public speech in the city of Chicago on June 21, permitted himself a number of crude, slanderous attacks with regard to the Soviet Union and its foreign policy.

In his speech Mr. Rogers went to the point of asserting that the Soviet Union allegedly "is mobilizing massed aggression" against the U.S.A. and wants "to destroy it."

As he was, of course, not in any way in a position to confirm these absurd statements, the Minister of Justice of the U.S.A. found nothing else to do but resort to references to the sentence imposed by the Hungarian court on the group of organizers of the armed revolt

directed at overthrowing the lawful order of the Hungarian People's Republic.

To whom indeed if not to the Minister of Justice should it be known that the sentence imposed by the national court of any state on its citizens for crimes committed against that state is wholly and entirely the internal affair of that state? Is it not because Mr. Rogers is trying to ascribe to the Soviet Union interference in the activity of Hungarian organs of justice that he himself, as is shown by his speech in Chicago, considers it appropriate to come forward in the role of attorney for criminals condemned by a lawful court of their own country and bearing responsibility for the death of many innocent people?

It is known that neither the Minister of Justice of the U.S.A. nor other official representatives of the U.S.A. came forward with protests against the fact that as a result of the criminal activities of the now-condemned conspirators in Hungary blood flowed of honest Hungarian patriots who defended their People's Republic. They did not protest when on the streets of Budapest and other Hungarian cities rebels committed monstrous atrocities, inflicted mass executions, when they hanged Hungarian workers only because they did not want restoration of the fascist regime in their country. At that time in Washington, when special editions were being published with photographs of people shot down, hanged and mutilated, there was applause for the evil deeds of counter-revolutionary rebels and their crimes were relished. It is permissible to ask where the humane feelings were of those who today are bemoaning the leaders of the anti-state conspiracy in Hungary when the rebels committed their crimes against the Hungarlan people.

Moreover, the fact that at the present time every day hundreds of patriots defending the independence of their homelands are perishing in Algeria, on Cyprus, in Oman, and in other places does not cause the protests of Mr. Rogers. Soldiers, in whose hands American weapons have been put, are shooting at them; they are perishing from bombs dropped from airplanes of American manufacture.

Only those who have pretensions to the role of some sort of international gendarme called upon to suppress everything new and progressive can come forward with declarations similar to that which was made by the Minister of Justice of the U.S.A. The crude attacks of the Minister of Justice of the U.S.A. on the Soviet Union and his undisguised attempts to interfere in the internal affairs of Hungary cannot be evaluated in any other way. It is apparent that the successes of the People's Democratic Hungary do not allow peaceful sleep to some statesmen in the West who are still dreaming about the restoration in countries of Eastern Europe of the old order rejected by the peoples.

It is completely apparent that the pose of love of mankind, which Mr. Rogers assumed in making his Chicago speech, has nothing in common with the real motives of his declaration. It was clearly needed for kindling among Americans feelings of distrust and hostility toward the Soviet Union, the Hungarian People's Republic, and other Socialist states. It is not accidental that the Minister of Justice of the U.S.A. tried to impress on his

audience that the Soviet Union supposedly "does not want to coexist" with the United States of America and urgently appealed to them "not to fall for the bait of ideas of peaceful coexistence."

Such a statement of a member of the Government of the U.S.A. answers the interests only of those who base their whole policy on support of international tension and sharpening of the "cold war." It is calculated to undermine that minimum of confidence without which it is in general impossible to maintain normal relations between states.

The Soviet Government considers it necessary to draw attention to the speech of the Minister of Justice of the U.S.A. and makes a protest to the Government of the United States of America in connection with this speech containing hostile and slanderous falsehoods in regard to the Soviet Union with which the U.S.A. maintains normal diplomatic relations.

"Sixteen" Call for Settlement of Korean Question

Following is a Department announcement regarding a communication on the question of Korean unification delivered to the Chinese Communist authorities at Peiping on July 2 by the U.K. Government on behalf of the U.S. Government and the other 15 governments which have contributed forces to the U.N. Command in Korea, together with a communication dated July 3 from U.S. Representative Henry Cabot Lodge to the Secretary-General of the United Nations and the text of the note.

DEPARTMENT ANNOUNCEMENT

Press release 376 dated July 2

The U.S. Government, in consultation with the other governments concerned, has carefully considered the Chinese Communist reply of May 6 to the communication transmitted on April 9 by the British Chargé d'Affaires at Peiping.² The failure of the Chinese Communists to provide any information in response to the request on April 9 by the governments concerned for clarification of the Communists' position in relation to the U.N. principles regarding elections for the unification of Korea makes it clear that the Communist authorities concerned have no intention of moving

toward a peaceful settlement of the Korean question. These principles include United Nations supervision of elections and representation in the National Assembly proportionate to the indigenous population of Korea.

Upon concluding their consultations the governments concerned again requested the British Government to inform the Chinese Communist authorities of their views.

The governments concerned noted that the greater part of the forces sent to Korea in accordance with resolutions of the United Nations had already been withdrawn and reiterated that they welcomed the announcement that Chinese Communist troops were also to be withdrawn from north Korea.

The governments concerned expressed their disappointment, however, that the Chinese Communist reply of May 6 did not provide the clarification requested in the communication of the British Government of April 9 and brushed aside the question of the principles on which elections should be held. The governments concerned consider that these principles, which were set forth in the communication of April 9, lie at the heart of the matter.

They have asked the British Government, in informing the Chinese Communist authorities of the views of the governments concerned, to state that it was for this reason that they sought the clarification requested on April 9 in the communication of the British Government. The governments concerned cannot agree that the further withdrawal of United Nations forces without any provision for a proper settlement of the Korean question would be calculated to lead to a reduction of tension in the Far East; indeed, they believe that such action would remove one necessary guaranty which exists against further aggression in Korea pending a final settlement.

The governments concerned have asked the British Government to inform the Chinese Communist authorities again that they wish to see a genuine settlement of the Korean question in accordance with United Nations resolutions and are at all times willing to further the consideration of measures designed to effect reunitication on this basis. They also point out that United Nations forces are in Korea at the instance of the United Nations and that, in accordance with the existing recommendations of the General Assembly

¹ U.N. doc. A/3821.

² Bulletin of May 5, 1958, p. 734.

of the United Nations, the governments concerned are prepared to withdraw their forces from Korea when the conditions for a lasting settlement laid down by the General Assembly have been fulfilled.

A copy of the British Government's communication is being transmitted to the United Nations.

TRANSMITTAL TO UNITED NATIONS

U.N. doc. A/3845 dated July 7

Ambassador Lodge's Communication

The Permanent Mission of the United States to the United Nations presents its compliments to the Secretary-General of the United Nations and has the honour to transmit on behalf of the United States Government, in its capacity as the United Command, a copy of the Note which the United Kingdom Government transmitted on 2 July 1958 to the Chinese Communist authorities on behalf of the Governments of the countries which have contributed forces to the United Nations Command in Korea. The Note of the United Kingdom Government was in response to the Chinese Communist reply of 6 May 1958 to the Note of the United Kingdom Government of 9 April 1958.

It is requested that this communication and the enclosed copy of the note be circulated to all Members of the United Nations as a General Assembly document.

Text of Note

Her Majesty's Chargé d'Affaires presents his compliments to the Ministry of Foreign Affairs and, on instructions from Her Majesty's Principal Secretary of State for Foreign Affairs, has the honour to refer to the Ministry's Note of 6 May 1958, communicated to the Governments of the countries which have contributed forces for the United Nations force in Korea, who, after consultation, have requested Her Majesty's Government to reply again on their behalf.

The Governments concerned, noting that the greater part of the forces sent to Korea in accordance with resolutions of the United Nations have already been withdrawn, reiterate that they welcome the announcement by the Government of the People's Republic of China that Chinese troops are also to be withdrawn from North Korea.

The Governments concerned are disappointed, however, that the Note handed to Her Majesty's Chargé d'Affaires on the sixth of May does not provide the clarification asked for in the Note delivered by Her Majesty's Chargé d'Affaires on the ninth of April and brushes aside the question of the principles on which elections should be held. The Governments concerned consider that these principles, which were set forth in the Note of the ninth of April, lie at the heart of the matter. It was for this reason that they sought the clarification requested in Her

Majesty's Chargé d'Affaires' Note under reference. They cannot agree that the further withdrawal of United Nations forces without any provision for a proper settlement of the Korean question would be calculated to lead to a reduction of tension in the Far East; indeed they believe that such action would remove one necessary guarantee which exists against further aggression in Korea pending a final settlement.

The Governments concerned wish to see a genuine settlement of the Korean question in accordance with United Nations resolutions and are at all times willing to further the consideration of measures designed to effect reunification on this basis. United Nations forces are in Korea at the instance of the United Nations. In accordance with the existing recommendations of the General Assembly of the United Nations, the Governments concerned are prepared to withdraw their forces from Korea when the conditions for a lasting settlement laid down by the General Assembly have been fulfilled.

A copy of this reply is being transmitted to the United Nations.

Reports on Arms Shipments to Cuba Called Erroneous

Press release 383 dated July 3

Press reports and other printed material purporting to show that arms from the United States are being supplied to the Cuban Government are erroneous. Since March 14, 1958, when a shipment of M-1 rifles was suspended, no arms deliveries to the Cuban Government have been made from the United States or by any agency of the U.S. Government outside of the United States save in one instance in May 1958. At that time two unarmed Cuban transport planes landed at Guantanamo Naval Base in Cuba to exchange 300 small rocketheads for 300 of another type erroneously delivered by the U.S. Government in October 1957 in compliance with a Cuban Government purchase order of December 1956. One of these planes was furnished with sufficient fuel to return to its base.

Allegations that the Cuban Armed Forces are using the base for their military operations or as a source of fuel and arms supplies are completely unfounded.

Shah of Iran Visits Washington

The Department of State announced on June 27 (press release 361) that Mohammad Reza Pahlavi, Shah in Shah of Iran, would arrive at Washington on June 30 for a 3-day informal visit. On

July 3 (press release 379) the Department announced that during his 3 days in Washington the Shah had participated in a number of informal discussions with President Eisenhower, Secretary Dulles, and other senior officials of the U.S. Government. In addition he met with several groups of Iranian officials and students.

The Shah's visit afforded an opportunity for a mutually beneficial exchange of views on a number of subjects of interest and importance to the United States and Iran and contributed to the already warm friendship between the two countries. His departure from New York will complete an unofficial tour in the United States which began in Hawaii on June 1.

Economic Development Loan to Iran

Press release 385 dated July 3

The Development Loan Fund announced on July 3 authorization of a \$40-million loan to the Plan Organization of Iran to assist in financing economic development projects in Iran. The Plan Organization is the Iranian Government agency charged with planning, financing, and executing that country's second 7-year development program, which has been in operation for about 2½ years.

DLF's announcement followed discussions begun in Tehran some months ago. Representatives of the Plan Organization came to Washington in early June and have been in consultation with representatives of interested U.S. agencies.

The Plan Organization is financing Iran's extensive developmental program from the approximately \$875 million which the Government has earmarked for use over the 7-year period from the country's oil revenues. The DLF loan funds will be used as supplemental financing for selected projects under the Plan Organization's development program.

The DLF loan financing will be available for projects in the fields of highways and airport construction and improvement; agricultural machinery imports; municipal development projects such as street paving and water and sewer systems; construction equipment for silos; and forestry programs, including sawmills, tree nurseries, charcoal furnaces, reforestation, and access roads.

The DLF loan will be repayable in dollars in 12 years at an interest rate of $3\frac{1}{2}$ percent, with the exception of projects in the categories of agricultural machinery and silos which will be repayable at the rate of $5\frac{1}{4}$ percent.

The Defense of Freedom

by Foy D. Kohler Deputy Assistant Secretary for European Affairs ¹

On this day dedicated to the cause of freedom and at this place, a renowned symbol of liberty, our thoughts turn naturally to the meaning of freedom—in the past, in the present, and in the future. We think of the long history of man's aspirations and struggles for liberty. We think of the trials and sacrifices of our forefathers in this land. We think of the millions who have passed by this place to find freedom in this same land. We think of the battle in defense of freedom being waged today by the free world. We think of the suffering of the peoples living today under the yoke of tyranny. We renew our faith in the eventual triumph of freedom for all mankind.

The routine chores of international politics in the world today are frequently nasty and usually frustrating. To one who, like myself, must deal with them every day, it is an inspiration to be among you on this occasion and to view these matters with you in a broader perspective. It is fitting that we should do so at a time when the challenge of Soviet Communist totalitarianism to the cause of freedom is particularly vicious. Soviet leaders have made it clear that they intend to continue to take every possible measure to forward their power-seeking purposes—that they will exploit whatever weaknesses they can find in the free world. Speaking pious slogans of peace, they continue to strengthen their military capabilities. The launching of the earth satellites indicates that they have developed powerful longdistance rockets; they have unquestionably made

¹Address made at Freedom Day celebration, under auspices of the Free Europe Committee, at Bedloe Island in New York Bay on July 1 (press release 367 dated June 30).

similarly great progress in developing other modern weapons.

This substantial military power they use as the backdrop for the Communist effort to subvert the free nations, to put into power Communist regimes wherever opportunities can be created. Today's special target is the underdeveloped areas of the world. At the same time the Soviets are building up an economic offensive aimed at bringing the newly developing free nations within the Communist orbit. This economic drive combines programs of trade and aid and is supported by the growing industrial capacity of the Soviet Union. Its political aims are openly admitted by the Soviet leaders. They do not hesitate to initiate or cancel trade or aid programs with other countries if it appears politically expedient to do so.

It is important to note that the growth of the military and economic power of the Soviet Union, far from being accompanied by a relinquishment of the totalitarian controls imposed upon the Soviet people and on the peoples who have fallen prey to Soviet imperialism, is based upon those controls. Neither has this growth been accompanied by any signs that the Soviet rulers desire to lessen international tensions by reaching agreements on major issues with the free nations. The Soviet Union continues to keep and to strengthen barriers to a free flow of information between the Communist and free world, barriers which are a major cause of international tension. Radio broadcasts from the Western World continue to be jammed. The censorship on dispatches of foreign news correspondents from the Soviet Union has recently been tightened. friendly contacts between the peoples under their control and foreigners are systematically discouraged, as evidenced by the recent expulsions of American Embassy officers from Moscow and Prague just for having normal, friendly conversations with several Soviet and Czech citizens. There has been no reply to our proposal to open the Soviet Union and the United States to travel by each other's citizens.2

All of us are deeply aware of the latest expression of the true nature of Soviet Communist imperialism, the murder of Imre Nagy, Pal Maleter, and other Hungarian patriots. This shocking act was committed in open defiance of the United

Nations. It violated assurances of safe conduct given to the Yugoslav Embassy, where Nagy had taken refuge from the Red Army. It violated every principle of decency. It serves to remind us of the essentially unchanging nature of Soviet totalitarian imperialism, based on terror and a total repression of the patriotic feelings of the captive peoples. The world will never forget this crime against humanity. It can only enhance our sympathy for the millions who remain under the Soviet heel.

The United States supports the aspirations of the captive nations for freedom and national independence. We do this because peace is in jeopardy and freedom a mockery until the captive nations can again lead their own lives. Once again we have proposed that there be a discussion of ways of easing tensions in Eastern Europe at any possible summit meeting. The Soviet Union has categorically refused to discuss this question, labeling our proposal interference in the internal affairs of the Eastern European states. It is precisely to eliminate Soviet interference in the internal affairs of these countries and the use of Soviet force against the Eastern European peoples that we have made our proposal. The brutal Soviet actions in Hungary once again demonstrate that it is Soviet interference in these countries which constitutes a major threat to peace and stability in Europe. The United Nations report on Hungary proves beyond doubt that the Soviet Union interfered in November 1956 to put down the Hungarian revolution by force.

It is timely for us to be here today renewing our faith in freedom under the shadow of the recent events in Hungary. It is this faith which unites us with our allies in NATO, in the Organization of American States, in SEATO, in ANZUS. It is this faith which unites us with the peoples living under Soviet tyranny. We do not seek to impose our ways on them. But we are concerned that they shall one day be able to choose their own way of life.

The struggle for freedom never has been an easy one. The road ahead will be long and often hard. But everywhere man's yearning for freedom can be seen. The forces supporting and defending freedom are strong and growing stronger. We must continue to maintain our strength and to help our allies remain strong. We must continue to strive to perfect our own system. We must

² Bulletin of June 16, 1958, p. 1006.

renew our faith and rededicate our whole strength to the effort that is necessary to make freedom triumph and to achieve a just and lasting peace.

United States Signs Loan Agreements With India and Tunisia

India

Press release 363 dated June 30

The United States on June 30 made available a credit of \$20 million to help India finance a project to develop iron-ore deposits in the Indian State of Orissa. The loan will provide India with foreign exchange needed to construct railroad facilities to transport the ore and to develop the port of Visakhapatnam on the Bay of Bengal.

The U.S. loan is being made from the Asian economic development fund which was set up to assist Asian nations in carrying out regional economic development projects. The iron-ore project is designed to strengthen the economies of both India and Japan by providing India with an additional source for earning foreign exchange and Japan with a source for increased iron-ore imports. These imports will be additional to those which Japan has been making from other sources.

Total cost of the project is estimated at \$67 million, about evenly divided between foreign exchange and local currency. In addition to the foreign exchange made available for the project by the U.S. loan, Japan has agreed to furnish materials and equipment on a deferred-payment basis. This credit amounts to the equivalent of approximately \$8 million.

The U.S. loan agreement was signed by Harishwar Dayal, Chargé d'Affaires of the Indian Embassy, for his Government, and Samuel C. Waugh, president of the Export-Import Bank, for the United States. The bank acts as agent for the International Cooperation Administration which handles loans from the Asian economic development fund. The loan is repayable over an 18-year period at an interest rate of 3½ percent, either in Indian rupees or U.S. dollars.

Tunisia

Press release 382 dated July 3

The Department of State on July 3 announced a loan agreement making available the equivalent

of \$1 million to assist Tunisia in financing economic development projects. Under the agreement, the United States is lending Tunisia \$1 million of U.S.-owned Tunisian francs.

The loan agreement with Tunisia was signed by Mongi Slim, the Tunisian Ambassador, and by Samuel C. Waugh, president of the Export-Import Bank, which will administer the loan for the U.S. International Cooperation Administration.

U.S. Authorizes Development Loans for Ceylon, Pakistan, and Paraguay

The Department of State announced on July 1 (press release 374) that the Development Loan Fund on that date announced authorization of loans totaling \$7,450,000 for economic development projects in Ceylon, Pakistan, and Paraguay.

The new authorizations include \$4,200,000 for private industrial development in Pakistan, \$2,500,000 for an international highway project in Paraguay, and \$750,000 to the Ceylon Government railway. They bring the total amount of authorized and announced DLF loans to \$138,850,000, of which \$102,100,000 have already been signed.

The \$4,200,000 Pakistan loan authorization is to provide additional foreign exchange for the Pakistan Industrial Credit and Investment Corporation (PICIC). This corporation was set up with the help of Pakistani, U.S., Canadian, British, and Japanese investors to make loans for private industrial enterprises in Pakistan. The DLF funds will be used to make subloans of \$20,000 to \$400,000 to private enterprises for the import of capital goods for developmental industries in Pakistan. The DLF loan would be repayable in Pakistan rupees over a period of 5 years at an interest rate of 5 percent.

The \$2,500,000 loan to Paraguay is to assist that country in surfacing the remaining dirt portion of an international highway, known as the Brazilian road, which connects Paraguay and Brazil.

The \$750,000 loan to the Ceylon Government railway will be repayable in Ceylon rupees over a period of 20 years with an interest rate of 3½ percent.

United States and United Kingdom Sign New Agreement Under Amended Atomic Energy Act

Following is a Department announcement concerning the signing of a new agreement with the United Kingdom for cooperation on the uses of atomic energy for mutual defense purposes, together with the text of the President's message to the Congress and accompanying documents, including the text of the agreement.

DEPARTMENT ANNOUNCEMENT

Press release 384 dated July 3

The Governments of the United States and the United Kingdom on July 3 signed a new atomic energy agreement for cooperation which is being submitted to the U.S. Congress. Secretary Dulles signed for the United States, and Lord Hood, British Chargé d'Affaires, signed for the United Kingdom. This is the first agreement to be negotiated under the recent amendments to the Atomic Energy Act of 1954, as amended, approved by the President on July 2, 1958.

The new agreement, when it comes into effect, will permit a greater exchange of nuclear information and materials between the United States and the United Kingdom in order to improve their mutual defense capabilities. In addition the new agreement makes possible the sale by an American firm to the British Government or its agent of a complete submarine nuclear propulsion plant, together with spare parts and the fuel elements required to operate this plant for a period of 10 years. Classified information for the design, manufacture, and operation of such a plant will also be communicated.

This new agreement is an outcome of the decisions reached between the President and the Prime Minister as set forth in the Declaration of Common Purpose of October 25, 1957. At that

time the President undertook to "request the Congress to amend the Atomic Energy Act as may be necessary and desirable to permit of close and fruitful collaboration of scientists and engineers of Great Britain, the United States, and other friendly countries."

THE PRESIDENT'S MESSAGE TO CONGRESS

White House press release dated July 3

Letter of Transmittal

To the Congress of the United States:

It has become manifestly clear of late that the countries of the free world must, for their collective defense and mutual help, endeavor to combine their resources and share the large tasks that confront us. This is particularly true in the field of scientific research and development in support of greater collective security, notably in the field of military applications of atomic energy. Close collaboration between scientists and engineers of the United States and the United Kingdom during World War II proved most fruitful.

The free world again faces a similar challenge which the free nations can most effectively meet by cooperating with one another in genuine partnership. I pointed out to the Congress earlier this year 2 that it was "wasteful in the extreme for friendly allies to consume talent and money in solving problems that their friends have already solved—all because of artificial barriers to sharing." Since then the Congress has responded with necessary changes in our legislation on the basis of which this Government has just concluded an Agreement with the Government of the United Kingdom which provides the framework for closer

¹ Bulletin of Nov. 11, 1957, p. 739.

² For text of the President's state of the Union message, see *ibid.*, Jan. 27, 1958, p. 115.

cooperation on uses of atomic energy for mutual defense purposes.

Pursuant to that legislation I am submitting to each House of the Congress an authoritative copy of the Agreement. I am also transmitting a copy of the Secretary of State's letter accompanying authoritative copies of the signed Agreement, a copy of a joint letter from the Chairman of the Atomic Energy Commission and the Secretary of Defense recommending my approval of this Agreement and a copy of my memorandum in reply thereto setting forth my approval.

DWIGHT D. EISENHOWER

The White House, July 3, 1958.

Letter From Secretary Dulles to the President

JULY 3, 1958

DEAR MR. PRESIDENT: The undersigned, the Secretary of State, has the honor to lay before the President with a view to its transmission to the Congress, pursuant to the Atomic Energy Act of 1954, as amended, the Agreement Between The Government of the United States of America and The Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes, signed at Washington July 3, 1958.

This Agreement was signed on behalf of the United States pursuant to the authorization granted in your memorandum of July 3, 1958 to the Secretary of Defense and the Acting Chairman of the Atomic Energy Commission. A copy of that memorandum was received by the Secretary of State from the President.

Faithfully yours,

John Foster Dulles

THE PRESIDENT
THE WHITE HOUSE

Joint Letter From the Secretary of Defense and the Acting Chairman of the Atomic Energy Commission to the President

DEAR MR. PRESIDENT: The United States Atomic Energy Commission and the Secretary of Defense recommend that you approve the attached Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain

and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes. It is also recommended that you authorize the execution of this proposed Agreement on behalf of the United States.

You will recall that in 1943, in the interest of our mutual defense, the United Kingdom suspended her own atomic energy program in the United Kingdom and sent to this country and Canada leading scientists to participate in the development of an atomic weapon. In the decade following World War II the British developed independently their own atomic weapons capability without benefit of United States collaboration. Under the authority of the Atomic Energy Act of 1954, only limited cooperation was permitted and was undertaken pursuant to appropriate Agreements for Cooperation.

The proposed Agreement for Cooperation will constitute a framework for the renewal of close collaboration with the United Kingdom in the field of military applications of atomic energy, and is, therefore, an important step forward in the implementation of your joint Declaration of October 25, 1957, with Prime Minister Macmillan which affirmed the principle of interdependence among the countries of the free world.

The cooperation provided for in the Agreement is authorized by the Atomic Energy Act of 1954, as amended by Public Law 85-479. The United Kingdom is participating with the United States in international arrangements pursuant to which the United Kingdom is making substantial and material contributions to the mutual defense and security. In addition, the United Kingdom has made substantial progress in the development of atomic weapons. For example, the United Kingdom has achieved on its own the capability of fabricating a variety of atomic weapons and has constructed and operated the necessary facilities, such as weapons research and development laboratories, weapon manufacturing facilities, a weapon testing station; has trained personnel to operate these facilities, and has detonated both atomic and hydrogen bombs.

The cooperation provided in this Agreement covers exchange of certain classified information and the transfer of certain equipment and special nuclear materials for use therein.

In the area of information, the Agreement provides for the exchange of information within the

limits of Sections 144b and c of the Atomic Energy Act of 1954, as amended by Public Law 85–479. The areas of information would cover the development of defense plans; the training of personnel; the evaluation of the capability of potential enemies in the employment of atomic weapons and other military applications; the development of delivery systems capable of carrying atomic weapons; design, development, and fabrication of atomic weapons; and research, development, and design of military reactors.

The Agreement continues in effect submarine reactor cooperation already undertaken with the United Kingdom and provides for broader cooperation in the military reactor field in the future. Present cooperation in this area has been undertaken under our Agreement for Cooperation for civil uses, but henceforth will be carried out in accordance with the provisions of Public Law 85–479 and the proposed Agreement.

In the area of equipment, the Agreement provides that the United States will authorize, subject to terms and conditions acceptable to the Government of the United States, a person to transfer by sale to the United Kingdom one complete submarine nuclear propulsion plant. It also provides for the sale to the United Kingdom of the nuclear fuel required for operation of this plant for a period of ten years following the date of entry into force of the Agreement, and for authorization, subject to terms and conditions acceptable to the Government of the United States. of a person or persons to transfer this fuel in the form of fabricated cores or fuel elements. These provisions are based upon authority of Sections 91 (c), (2), and (3) of the Act and set forth in Article III of the Agreement.

The United Kingdom agrees to indemnify the United States against liability for any damage which might be caused by the equipment after it is taken out of the United States.

Article III also provides specifically for the communication of information on the design, manufacture and operation of this propulsion plant and on the processing and reprocessing of its nuclear fuel.

Cooperation under this Article is intended to develop a nuclear submarine capability in the British Fleet at the earliest possible time with no interference to the United States naval reactors program and will promote the acquisition by the United Kingdom of the technological know-how essential to the maintenance and growth of this capability.

This Agreement would remain in force until terminated by agreement of both parties, thus assuring continued protection for information and materials transferred, in accordance with the provisions of the Agreement. However, Article II, providing for exchange of information, may be terminated by agreement of the parties or by either party, following one year's advance notice, at the expiration of an initial term of ten years, or upon the expiration of any succeeding term of five years. As noted above, the provision of fuel for the submarine propulsion plant is limited to a period of ten years, which may be extended only by amendment of this Agreement.

In accordance with the provisions of Section 91, 144b and 144c of the Atomic Energy Act of 1954, as recently amended, the Agreement specifically provides, in Article I, that all cooperation under the Agreement will be undertaken only when the communicating or transferring party determines that such cooperation will promote and will not constitute an unreasonable risk to its defense and security, while the United States and the United Kingdom are participating in an international arrangement for their mutual defense and security through substantial and material contributions thereto. Cooperation under Article II and III of the Agreement would be undertaken only when these conditions prevail.

In addition to the foregoing provisions on the terms, conditions, duration, nature, and scope of cooperation, the Agreement provides that the parties will maintain agreed security safeguards and standards. The Agreement also contains a commitment that the recipient of any material or information transferred pursuant to the Agreement will not transfer it to unauthorized persons or except as specifically provided in the Agreement, beyond the jurisdiction of the recipient party.

Public Law 85-479 provides that the President will determine that with respect to implementation of the provisions of the Agreement concerning exchange of information and the transfer of equipment and materials, proposed communication of information or any proposed transfer arrangement of equipment or materials "will promote and will not constitute an unreasonable risk

to the common defense and security." In accordance with our letter to you, dated January 27, 1958, the Atomic Energy Commission and the Department of Defense will recommend to you an Executive Order whereby the President would authorize proposed communications or transfers only after joint review by the Department of Defense, the Atomic Energy Commission, and other interested agencies, and would authorize such communications or transfers in the absence of the President's personal approval only where the Department of Defense and the Atomic Energy Commission agree that the proposed cooperation and the proposed communication of restricted data or transfer of materials or equipment will promote and will not constitute an unreasonable risk to the common defense and security.

It is the considered opinion of the Atomic Energy Commission and the Department of Defense that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States. Accordingly, it is recommended that you (1) approve the program for transfer of one submarine nuclear propulsion plant and special nuclear material required for operation of this plant during the ten-year period following the date upon which the Agreement enters into force; (2) determine that the performance of this Agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; (3) approve the proposed Agreement for Cooperation; and (4) authorize the execution of the proposed Agreement for the Government of the United States by the Secretary of State.

The Secretary of State concurs in the foregoing recommendations.

Respectfully,

W. F. Libby

Acting Chairman

Atomic Energy Commission

NEIL H. McElroy

Secretary

Department of Defense

Memorandum from the President for the Secretary of Defense and the Acting Chairman of the Atomic Energy Commission

July 3, 1958

1. In your joint letter of July 3, 1958, to me, you recommended that I approve a proposed

Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland For Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes.

- 2. I note from your joint recommendation that the United Kingdom is participating with the United States in international arrangements pursuant to which it is making substantial and material contributions to the mutual defense and security, and the United Kingdom has made substantial progress in the development of atomic weapons. I note also that the proposed Agreement will permit cooperation necessary to improve capabilities of the United States, and the United Kingdom, in the application of atomic energy for mutual defense purposes, subject to provisions, conditions, guaranties, terms, and special determinations, which are most appropriate in this important area of mutual assistance.
- 3. The Atomic Energy Act of 1954, as amended, and the Agreement require certain determinations concerning cooperation under the Agreement. In this regard, I shall expect to have your recommendations with respect to an Executive Order which will facilitate the implementation of the Agreement as proposed in your joint letter.
- 4. Having considered the cooperation provided for in the Agreement, including your joint recommendation, security safeguards and other terms and conditions of the Agreement, I hereby
- (a) Approve the program for transfer of one submarine nuclear propulsion plant and special nuclear material required for operation of this plant during the ten-year period following the date upon which the Agreement enters into force;
- (b) Determine that the performance of this Agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States;
- (c) Approve the proposed Agreement for Cooperation; and
- (d) Authorize the execution of the proposed Agreement for the Government of the United States by the Secretary of State.
- 5. In taking these actions, I have noted also the supplementary classified information, regarding the Agreement, also jointly submitted to me.
- 6. After execution of the Agreement, I shall submit it to the Congress.

7. I am forwarding a copy of this memorandum to the Secretary of State.

DWIGHT D. EISENHOWER

TEXT OF AGREEMENT

Press release 384-A dated July 3

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR COOPERATION ON THE USES OF ATOMIC ENERGY FOR MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland on its own behalf and on behalf of the United Kingdom Atomic Energy Authority,

Considering that their mutual security and defense require that they be prepared to meet the contingencies of atomic warfare;

Considering that both countries have made substantial progress in the development of atomic weapons;

Considering that they are participating together in international arrangements pursuant to which they are making substantial and material contributions to their mutual defense and security;

Recognizing that their common defense and security will be advanced by the exchange of information concerning atomic energy and by the transfer of equipment and materials for use therein;

Believing that such exchange and transfer can be undertaken without risk to the defense and security of either country; and

Taking into consideration the United States Atomic Energy Act of 1954, as amended, which was enacted with these purposes in mind,

Have agreed as follows:

ARTICLE 1

General Provision

While the United States and the United Kingdom are participating in an international arrangement for their mutual defense and security and making substantial and material contributions thereto, each Party will communicate to and exchange with the other Party information, and transfer materials and equipment to the other Party, in accordance with the provisions of this Agreement provided that the communicating or transferring Party determines that such cooperation will promote and will not constitute an unreasonable risk to its defense and security.

ARTICLE 11

Exchange of Information

- A. Each Party will communicate to or exchange with the other Party such classified information as is jointly determined to be necessary to:
 - 1. the development of defense plans;
 - 2. the training of personnel in the employment of and

defense against atomic weapons and other military applications of atomic energy;

- 3. the evaluation of the capabilities of potential enemies in the employment of atomic weapons and other military applications of atomic energy;
- 4. the development of delivery systems compatible with the atomic weapons which they earry; and
- 5. research, development and design of military reactors to the extent and by such means as may be agreed.
- B. In addition to the cooperation provided for in paragraph A of this Article each Party will exchange with the other Party other classified information concerning atomic weapons when, after consultation with the other Party, the communicating Party determines that the communication of such information is necessary to improve the recipient's atomic weapon design, development and fabrication capability.

ARTICLE 111

Transfer of Submarine Nuclear Propulsion Plant and Materials

A. The Government of the United States will authorize, subject to terms and conditions acceptable to the Government of the United States, a person to transfer by sale to the Government of the United Kingdom or its agent one complete submarine nuclear propulsion plant with such spare parts therefor as may be agreed by the Parties and to communicate to the Government of the United Kingdom or its agent (or to both) such classified information as relates to safety features and such classified information as is necessary for the design, manufacture and operation of such propulsion plant. A person or persons will also be authorized, for a period of ten years following the date of entry into force of this Agreement and subject to terms and conditions acceptable to the Government of the United States, to transfer replacement cores or fuel elements for such plant.

B. The Government of the United States will transfer by sale agreed amounts of U-235 contained in uranium enriched in the isotope U-235 as needed for use in the submarine nuclear propulsion plant transferred pursuant to paragraph A of this Article, during the ten years following the date of entry into force of this Agreement on such terms and conditions as may be agreed. If the Government of the United Kingdom so requests, the Government of the United States will during such period reprocess any material sold under the present paragraph in facilities of the Government of the United States, on terms and conditions to be agreed, or authorize such reprocessing in private facilities in the United States. Enriched uranium recovered in reprocessing such materials by either Party may be purchased by the Government of the United States under terms and conditions to be agreed. Special nuclear material recovered in reprocessing such materials and not purchased by the Government of the United States may be returned to or retained by the Government of the United Kingdom and any U-235 not purchased by the Government of the United States will be credited to the amounts of U-235 to be transferred

by the Government of the United States under this Agreement.

C. The Government of the United States shall be compensated for enriched uranium sold by it pursuant to this Article at the United States Atomic Energy Commission's published charges applicable to the domestic distribution of such material in effect at the time of the sale. Any purchase of enriched uranium by the Government of the United States pursuant to this Article shall be at the applicable price of the United States Atomic Energy Commission for the purchase of enriched uranium in effect at the time of purchase of such enriched uranium.

D. The Parties will exchange classified information on methods of reprocessing fuel elements of the type utilized in the propulsion plant to be transferred under this Article, including classified information on the design, construction and operation of facilities for the reprocessing of such fuel elements.

E. The Government of the United Kingdom shall indemnify and hold harmless the Government of the United States against any and all liabilities whatsoever (including third-party liability) for any damage or injury occurring after the propulsion plant or parts thereof, including spare parts, replacement cores or fuel elements are taken outside the United States, for any cause arising out of or connected with the design, manufacture, assembly, transfer or utilization of the propulsion plant, spare parts, replacement cores or fuel elements transferred pursuant to paragraph Λ of this Article.

ARTICLE 1V

Responsibility for Use of Information, Material, Equipment and Devices

The application or use of any information (including design drawings and specifications), material or equipment communicated, exchanged or transferred under this Agreement shall be the responsibility of the Party receiving it, and the other Party does not provide any indemnity, and does not warrant the accuracy or completeness of such information and does not warrant the suitability or completeness of such information, material or equipment for any particular use or application.

ARTICLE V

Conditions

A. Cooperation under this Agreement will be carried out by each of the Parties in accordance with its applicable laws.

B. Under this Agreement there will be no transfer by either Party of atomic weapons.

C. Except as may be otherwise agreed for civil uses, the information communicated or exchanged, or the materials or equipment transferred, by either Party pursuant to this Agreement shall be used by the recipient Party exclusively for the preparation or implementation of defense plans in the mutual interests of the two countries.

D. Nothing in this Agreement shall preclude the com-

munication or exchange of classified information which is transmissible under other arrangements between the Parties.

ARTICLE VI

Guaranties

A. Classified information, materials and equipment communicated or transferred pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the Parties and applicable national legislation and regulations of the Parties. In no case shall either Party maintain security standards for safeguarding classified information, materials or equipment made available pursuant to this Agreement less restrictive than those set forth in the applicable security arrangements in effect on the date this Agreement comes into force.

B. Classified information communicated or exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the communication or exchange of such information between the Parties.

C. Classified information, communicated or exchanged, and any materials or equipment transferred, pursuant to this Agreement shall not be communicated, exchanged or transferred by the recipient Party or persons under its jurisdiction to any unauthorized persons, or, except as provided in Article VII of this Agreement, beyond the jurisdiction of that Party. Each Party may stipulate the degree to which any of the information, materials or equipment communicated, exchanged or transferred by it or persons under its jurisdiction pursuant to this Agreement may be disseminated or distributed; may specify the categories of persons who may have access to such information, materials or equipment; and may impose such other restrictions on the dissemination or distribution of such information, materials or equipment as it deems necessary.

ARTICLE VII

Dissemination

Nothing in this Agreement shall be interpreted or operate as a bar or restriction to consultation or cooperation in any field of defense by either Party with other nations or international organizations. Neither Party, however, shall communicate classified information or transfer or permit access to or use of materials, or equipment, made available by the other Party pursuant to this Agreement to any nation or international organization unless authorized to do so by such other Party, or unless such other Party has informed the recipient Party that the same information has been made available to that nation or international organization.

ARTICLE VIII

Classification Policies

Agreed classification policies shall be maintained with respect to all classified information, materials or equipment communicated, exchanged or transferred under this Agreement. The Parties intend to continue the present

practice of consultation with each other on the classification of these matters.

ARTICLE IX

Patents

- A. With respect to any invention or discovery employing classified information which has been communicated or exchanged pursuant to Article 11 or derived from the submarine propulsion plant, material or equipment transferred pursuant to Article 111, and made or conceived by the recipient Party, or any agency or corporation owned or controlled thereby, or any of their agents or contractors, or any employee of any of the foregoing, after the date of such communication, exchange or transfer but during the period of this Agreement:
- 1. in the case of any such invention or discovery in which rights are owned by the recipient Party, or any agency or corporation owned or controlled thereby, and not included in subparagraph 2 of this paragraph, the recipient Party shall, to the extent owned by any of them:
- (a) transfer and assign to the other Party all right, title and interest in and to the invention or discovery, or patent application or patent thereon, in the country of that other Party, subject to the retention of a royalty-free, non-exclusive, irrevocable license for the governmental purposes of the recipient Party and for the purposes of mutual defense; and
- (b) grant to the other Party a royalty-free, non-exclusive, irrevocable license for the governmental purposes of that other Party and for purposes of mutual defense in the country of the recipient Party and third countries, including use in the production of material in such countries for sale to the recipient Party by a contractor of that other Party;
- 2. in the case of any such invention or discovery which is primarily useful in the production or utilization of special nuclear material or atomic energy and made or conceived prior to the time that the information it employs is made available for civil uses, the recipient Party shall:
- (a) obtain, by appropriate means, sufficient right, title and interest in and to the invention or discovery, or patent application or patent thereon, as may be necessary to fulfill its obligations under the following two subparagraphs:
- (b) transfer and assign to the other Party all right, title and interest in and to the invention or discovery, or patent application or patent thereon, in the country of that other Party, subject to the retention of a royalty-free, non-exclusive, irrevocable license, with the right to grant sublicenses, for all purposes; and
- (c) grant to the other Party a royalty-free, non-exclusive, irrevocable license, with the right to grant sublicenses, for all purposes in the country of the recipient Party and in third countries.
- B. 1. Each Party shall, to the extent owned by it, or any agency or corporation owned or controlled thereby, grant to the other Party a royalty-free, non-exclusive,

- irrevocable license to manufacture and use the subject matter covered by any patent and incorporated in the submarine propulsion plant and spare parts transferred pursuant to paragraph A of Article III for use by the licensed Party for the purposes set forth in paragraph C of Article V.
- 2. The transferring party neither warrants nor represents that the submarine propulsion plant or any material or equipment transferred under Article III does not infringe any patent owned or controlled by other persons and assumes no liability or obligation with respect thereto, and the recipient Party agrees to indemnify and hold harmless the transferring Party from any and all liability arising out of any infringement of any such patent.
- C. With respect to any invention or discovery, or patent thereon, or license or sublicense therein, covered by paragraph A of this Article, each Party:
- 1. may, to the extent of its right, title and interest therein, deal with the same in its own and third countries as it may desire, but shall in no event discriminate against citizens of the other Party in respect of granting any license or sublicense under the patents owned by it in its own or any other country;
- 2. hereby waives any and all claims against the other Party for compensation, royalty or award, and hereby releases the other Party with respect to any and all such claims.
- D. 1. No patent application with respect to any classified invention or discovery employing classified information which has been communicated or exchanged pursuant to Article II, or derived from the submarine propulsion plant, material or equipment transferred pursuant to Article III, may be filed:
- (a) by either Party or any person in the country of the other Party except in accordance with agreed conditions and procedures; or
- (b) in any country not a party to this Agreement except as may be agreed and subject to Articles VI and VII.
- Appropriate secrecy or prohibition orders shall be issued for the purpose of giving effect to this paragraph.

ARTICLE X

Previous Agreements for Cooperation

Effective from the date on which the present Agreement enters into force, the cooperation between the Parties being carried out under or envisaged by the Agreement for Cooperation Regarding Atomic Information for Mutual Defense Purposes, which was signed at Washington on June 15, 1955,³ and by paragraph B of Article 1 bis of the Agreement for Cooperation on Civil Uses of Atomic Energy, which was signed at Washington on June 15, 1955,⁴ as amended by the Amendment signed at Washington on June 13, 1956,⁵ shall be carried out in accordance with the provisions of the present Agreement.

³ For text, see *ibid.*, July 11, 1955, p. 63, or Treaties and Other International Acts Series 3322.

⁴ TIAS 3321.

⁴TIAS 3608,

ARTICLE XI

Definitions

For the purposes of this Agreement:

A. "Atomic weapon" means any device utilizing atomic energy, exclusive of the means of transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

B. "Classified information" means information, data, materials, services or any other matter with the security designation "Confidential" or higher applied under the legislation or regulations of either the United States or the United Kingdom, including that designated by the Government of the United States as "Restricted Data" or "Formerly Restricted Data" and that designated by the Government of the United Kingdom as "ATOMIC".

C. "Equipment" means any instrument, apparatus or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material and component parts thereof, and includes submarine nuclear propulsion plant, reactor and military reactor.

D. "Military reactor" means a reactor for the propulsion of naval vessels, aircraft or land vehicles and military package power reactors.

E. "Person" means:

1. any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation other than the United States Atomic Energy Commission and the United Kingdom Atomic Energy Authority; and

2. any legal successor, representative, agent or agency of the foregoing.

F. "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained and controlled by utilizing uranium, plutonium or thorium, or any combination of uranium, plutonium or thorium.

G. "Submarine nuclear propulsion plant" means a propulsion plant and includes the reactor, and such control, primary, auxiliary, steam and electric systems as may be necessary for propulsion of submarines.

II. References in this Agreement to the Government of the United Kingdom include the United Kingdom Atomic Energy Authority.

ARTICLE XII

Duration

This Agreement shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this Agreement, and shall remain in force until terminated by agreement of both Parties, except that, if not so terminated, Article II may be terminated by agreement of both Parties, or by either Party on one year's notice to the other to take effect at

the end of a term of ten years, or thereafter on one year's notice to take effect at the end of any succeeding term of five years.

In witness whereof, the undersigned, duly authorized, have signed this Agreement.

Done at Washington this third day of July, 1958, in two original texts.

For the Government of the United States of America:

John Foster Dulles Sccretary of State

For the Government of the United Kingdom of Great Britain and Northern Ireland:

Her Majesty's Chargé d'Affaires a. i.

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Outer Space Propulsion by Nuclear Energy. Hearings before subcommittees of the Joint Committee on Atomic Energy on outer space propulsion by nuclear energy. January 22-February 6, 1958. 232 pp.

Water Resource Programs of the United States, Russia, and (Red) China. Joint hearings before the Senate Committee on Interior and Insular Affairs and the Senate Committee on Public Works on S. Res. 248, relationship of water resource development programs of the United States, Russia, and (Red) China. February 17, 18, and May 16, 1958. 292 pp.

Rice Export Program and Rice Acreage, 1958. Hearings before the Subcommittee on Rice of the House Committee on Agriculture. March 20 and April 29, 1958.

60 pp.

Astronautics and Space Exploration. Hearings before the Select Committee on Astronautics and Space Exploration on H. R. 11881. April 15-May 12, 1958. 1,542 pp.

Review of Foreign Policy, 1958. Hearings before the Senate Committee on Foreign Relations on foreign policy (United States policies respecting the Far East, the Near East, South Asia, and Africa). Part 2, May 2-12, 1958. 215 pp.

Review of Foreign Policy, 1958. Hearings before the Senate Committee on Foreign Relations on foreign policy (United States policies respecting Canada). Part

3, May 16, 1958. 92 pp.

Two Recommendations Adopted by the International Labor Conference at Geneva on June 26, 1956. Letter from Assistant Secretary of State relative to two recommendations adopted by the International Labor Conference at Geneva on June 26, 1956, as follows: (1) ILO recommendation (no. 101) concerning vocational training in agriculture, and (2) recommendation (no. 102) concerning welfare facilities for workers, pursuant to article 19 of the constitution of the International Labor Organization. H. Doc. 405, June 16, 1958. 24 pp.

Czechoslovakian Claims Fund. Hearing before the Senate Committee on Foreign Relations on S. 3557, a bill to amend the International Claims Settlement Act of 1949, as amended (64 Stat. 12). June 19, 1958. 94 pp.

Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Bill, 1959. Conference report to accompany H. R. 12428. H. Rept. 1980, June 24, 1958. 6 pp.

Mutual Security Act of 1958. Conference report to accompany H. R. 12181. H. Rept. 2038, June 26, 1958. 32 pp.

Foreign Aid Construction Projects. Twenty-Ninth Report by the Committee on Government Operations. H. Rept. 2012, June 26, 1958. 43 pp.

Authorizing the Transfer of Naval Vessels to Friendly Foreign Countries. Report to accompany 8, 3506. H. Rept. 2009, June 26, 1958. 9 pp.

Amending the Atomic Energy Act of 1954, as Amended. Conference report to accompany H. R. 12716. H. Rept. 2051, June 27, 1958. 6 pp. Amending the Act of Congress Concerning United States Contributions to the International Council of Scientific Unions and Certain Associated Unions. Report to accompany S. J. Res. 85.—II. Rept. 2050, June 27, 1958. 4 pp.

Mutual Security Appropriation Bill, 1959. Report to accompany H. R. 13192. H. Rept. 2048, June 27, 1958. 15 pp.

The Czechostovakian Claims Fund. Report to accompany S. 3557. S. Rept. 1794, July 2, 1958. 35 pp.

Corregidor Bataan Memorial Commission. Report to accompany H. R. 10069. S. Rept. 1807, July 7, 1958. 16 pp.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

The Trust Territory of the Pacific Islands

Statement by Delmas H. Nucker U.S. Special Representative in the Trusteeship Council

Again I have the pleasure to serve as Special Representative of the United States to report on the principal events marking the administration of the Trust Territory of the Pacific Islands since July 1, 1957. As in the past, I look forward to receiving the benefits of the views and recommendations of this body.

This year's review has several outstanding features. We have been able during the year to bring certain longstanding problems to a successful conclusion. The past year also saw two disastrous typhoons sweep through the southern Marshalls, through parts of Ponape, Truk, and Yap districts, leaving widespread havoc in their wake. The first of these typhoons, known popularly to the world by its Weather Bureau name of Lola, struck in early November and was followed only 2 months later in the same general area by the even more destructive Ophelia.

The first typhoon concentrated its fury on Namorik Atoll in the southern Marshalls, leaving over 500 people homeless and destroying most of the food crops and coconut trees of that atoll. Where it struck in the other parts of the territory, fortunately only partial damage was inflicted, But before certain of the battered areas could recover from the damages of this November storm, typhoon Ophelia swept down upon us. Moving first on the Jahuit area in the southern Marshalls, it left behind an entire atoll in devastation. Close to 1,200 individuals in this single atoll were rendered homeless and 14 individuals washed out to sea and lost. Not content with the almost complete destruction on Jaluit Atoll in the Marshalls, Ophelia then moved westward ravaging again the areas in Ponape and Truk districts which had been hard hit by the November typhoon. Within hours after it was known that emergency-relief measures were needed, planes and ships carrying food and water, medicines, and supplies were on their way to the stricken areas. The scope and seriousness of the disaster led to my immediate departure for Washington, D.C. I am proud to report that full

July 28, 1958

⁴ Made in the U.N. Trusteeship Council on June 16 (U.S./U.N. press release 2942 dated June 13). Mr. Nucker is High Commissioner of the Trust Territory of the Pacific Islands. For a review of the previous year by Mr. Nucker, see BULLETIN of Aug. 5, 1957, p. 248.

cooperation and immediate assistance were received at all levels of our Government. The Director of the Office of Territories, the Secretary of the Interior, the Bureau of the Budget, the House and Senate Appropriations Committees of the United States Congress were most sympathetic. In record time an emergency appropriation of \$1,350,000 received preliminary approval, and, within a matter of weeks after the disaster, we were assured by Members of the Congress that this administration could embark on a full-scale rehabilitation program.

Administration

A major event of general administrative significance during the year was the revision of the Micronesian Title and Pay Plan. This revision resulted in setting up two wage schedules for our Micronesian workers, one based on trades and mechanical type of work and the other on elerical, administrative, and professional type positions.

During the year our permanent Micronesian personnel increased from 1,857 to 1,995, reflecting not only expansion in such fields as public health, education, fisheries, and construction but also pointing up the emphasis on the administration policy of training and using qualified Micronesians wherever possible as replacements for United States staff members. Since 1951, 33 Government positions formerly held by such staff members ranging through such categories as district director of public health, district director of education, chief nurse, finance officer, and the like have been taken over by qualified Micronesians. This past year saw additional top positions filled in this manner. A Ponapean took over as district director of public health in Ponape district; a Trukese was appointed finance officer in Truk. A nursinginstructor position in the Nurses' Training School in Palau was filled by a qualified Micronesian nurse as were positions in other departments. Within the next few months two additional district directorships of public health will be turned over to qualified Micronesian medical practitioners, as will be positions of assistant supply officers in several districts. In addition to the on-the-job training for Micronesian workers, a special scholarship program has been established to give professional training to selected individuals to equip them to handle professional positions now filled by nonindigenous staff members.

Economic Development

Our economic policy continues to be one of aiding the Micronesians to expand and develop their own economy. With the chartering last year of two new limited-stock trading companies, there are now nine such companies in operation, handling most of the import and export trade throughout the territory. Over \$486,000 has been extended in development loans to the local trading companies to enable them to move toward complete self-sufficiency.

Copra production during the first half of this fiscal year was well over 7,000 short tons, and, had we been able to maintain this production, our yearly export for this fiscal year would have been over 14,000 tons—potentially the highest amount the territory would have produced since World War II. The two typhoons of November and January ripped through our heaviest copraproducing areas stripping trees of nuts, damaging and uprooting thousands of trees. In many areas it will be years, in some instances 8 or more, before full copra production is again established. In the Marshall district alone a 20-percent decrease in copra production is anticipated as a result of the destruction of palms by these two typhoons. Yet in spite of the ravages of the typhoons we expect this fiscal year to export at least 12,000 short tons of copra with a revenue approximating \$1,300,000. This, in actuality, will be only some 1,300 short tons under last year's production, and the overall revenue decrease will be only about \$100,000. For the typhoon-stricken areas, the major source of cash income has been greatly curtailed or temporarily destroyed. Copra Stabilization Fund was able to maintain a constant price of \$110 to the producer for gradeone copra during the year, with the necessity of withdrawing about \$50,000 from the fund account to achieve this stabilization. At the end of last month the stabilization fund balance stood at \$845,000, affording, we feel, ample protection against the fluctuations of the copra market for the forthcoming year.

Trochus production during fiscal year 1957 fell to the lowest point since 1953, due largely to un-

certainty of the market and refusal of trochus buyers to make firm quotations on prices. Since Micronesians could not anticipate their returns, many were unwilling to dive for trochus. Micronesian officials, in cooperation with district congresses and local advisory councils, took advantage of the uncertain market to institute badly needed conservation measures in selected areas. In two of the formerly heaviest trochus-producing areas, local legislative bodies declared a closed season on trochus. Thus, only some 164 short tons of trochus were marketed this past fiscal year, which, selling at a price of \$750 a short ton, grossed approximately \$123,000. This was a sharp contrast to the top price of \$1,160 a ton last year, when 350 tons grossed over \$388,000.

Vegetable production was less than last fiscal year, the decline being brought about by the November typhoon which damaged the farms on Rota and Tinian, the two largest vegetable-producing areas for the territory. We expect, however, that this coming year will show an appreciable increase in the production of marketable vegetables.

Agriculture

The disastrous typhoons, which destroyed food crops as well as income crops in various parts of the territory, vividly brought home to us the necessity of maintaining at all times a strong agricultural program. The emphasis that has been given in this field stood us in good stead under the test of disaster. Since during the past 3 years our agricultural staff had been doubled and programs in coconut development and improvement of subsistence crops had been stressed, we were better able to develop agricultural-rehabilitation programs for the devastated regions quickly and efficiently. In all of the typhoon areas the replanting of coconut trees and subsistence crops is under way. Through our agricultural specialists we are attempting to rebuild the shattered subsistence economy in a manner which will give generations of Micronesians still to come a more secure economic base.

In all areas of the trust territory we are pressing forward on a program of coconut rehabilitation and replanting as well as fostering demonstration programs for better copra processing. The improvement of subsistence crops also continues to be one of the major goals of our agricultural program as does improvement of the livestock of the area.

A plant pathologist during the year devoted his time to the investigation of plant diseases in the territory, and his final report and recommendations currently are under study by our director of agriculture. In the Palau district, control of the rhinoceros beetle has progressed to a point where copra production showed a 25-percent increase over last year. The predatory scolia wasp now appears to be firmly established throughout the rhinoceros beetle-infested area. We cannot as yet say that the predatory wasp is the major factor in control, but along with our other control methods and extermination program we can now state that large areas, formerly pest-ridden, appear to be under control and can be replanted to coconuts.

The menace of the giant African snail is still with us. The species of carnivorous snail which we introduced as a control measure several years ago as a predator has not satisfactorily been able to acclimate to the natural conditions of our area. This past year we introduced a different species of carnivorous snail, the euglandina, which has proven remarkably successful in Hawaii, and we hope this new introduction will succeed where the previous introductions did not.

While recent studies indicate that the experimental cacao plantation on Babelthuap would not be successful because of local soil conditions, cocoadevelopment work has continued elsewhere in the various districts. In Ponape and Yap the typhoons destroyed many of the pods on the trees. We are stressing cocoa planting in suitable areas in the hope of providing another cash crop for the Micronesians.

In the past year we moved from the planning stages of a fisheries program into the first stages of implementing that program. A subsistence fishing project is now under way, and we are planning to start in the near future, on an experimental basis, a small-scale commercial fishing project. A fisheries management officer has been added to our staff and has embarked on a program of establishment of subsistence fisheries. For the Palau area we hope within the next fiscal year to procure a fishing vessel suitable for experi-

mental commercial fishing and to set up a fish-drying plant and a fish-freezing unit. Eventually we hope also to move into the operation of a small-scale pilot canning plant. All of these programs will be designed for the time being to provide fish for the Micronesian markets and thus cut down the import of fish in various forms from outside the territory. While it is doubtful as to whether the Micronesian economy can build up a commercial fishing program which could compete on the world market, we should, with proper management, be able to provide for most of the needs of the territory itself from the rich marine resources of the area.

During the year also our marine biologist completed a 2-year study of trochus, and as a result of his recommendations various districts put into effect needed conservation programs. Trochus sanctuaries have been established. Trochus also was planted in new areas where it is hoped trochus will become established and, in time, provide an additional source of cash income to local inhabitants.

Education

The intent of our educational system is to provide a type of education which will equip the Micronesians to be useful citizens within the framework of their own society. Increasingly, as the Micronesians acquire the necessary training, we are turning over important positions in the education department to them. In six districts all positions within the educational departments are staffed with qualified Micronesians, with the exception of the teacher trainers in each district, the district educational administrators, and the specialized teachers at PICS [Pacific Islands Central School]. In the Marshalls district, as has been previously reported, even the district directorship of education has been taken over by a Marshallese.

Over 12,000 children throughout the territory are in schools, either in the public or privately supported schools.

Elementary education is almost completely in the hands of the local communities. The education department helps by providing needed educational materials, training for the local teachers, and grants-in-aid for construction, but the community itself provides for the elementary education of its children. The concern and interest of the local communities in elementary education is demonstrated in many ways. In five districts now the local legislative bodies have passed legislation setting minimum salary schedules and a system of centralized payment of all elementary-school salaries. Seven new elementary schools were built by local communities during the year, several of which were constructed under our grant-in-aid program. In Truk, for example, Moen municipality currently is constructing an 8-room elementary school at a cost of \$17,000. Of this amount, \$7,000 was furnished by the administration through the grant-in-aid program, with Moen municipality supplying the remaining \$10,000. Rota municipality in the Marshalls, with the aid of an administration grant, this year completed a 7-room elementary school which presently is the most modern elementary school in the trust territory.

While the administration supports the intermediate-school system, the people increasingly are demonstrating community concern and interest in this level of education. In Yap, for example, a new boys' dormitory was constructed under a joint grant-in-aid program. The seventh public intermediate school of the territory and the first to be located outside a district center will start classes this fall at Kusaie. Although this new intermediate school was not built under the grant-in-aid program it was the result of joint effort. The administration provided \$15,000 for materials and supplies and will staff and maintain the school. The Kusaiens donated most of the labor for its construction.

Each year sees more Micronesian students seeking higher education outside the territory. This year at least 275 students were studying outside the territory, 189 attending high school or junior college in Guam, 53 in Hawaii, 13 in the Philippines, 20 in the United States and Fiji. Last year three scholarships were granted to each district, except Rota, for advanced training abroad, and a similar number were awarded for the coming year. Most of this type of scholarship is for a 2-year period, although a third year occasionally is awarded to outstanding scholars.

A new and special type of scholarship program designed to give professional training in selected fields was instituted. These scholarships are intended to take the recipients through a full college and professional course. To date under this program two special scholarships for

the study of law have been granted, as have two special scholarships in the field of education.

An important activity of the year was the continuation of the work of the teacher trainers in the outlying areas. At Truk district a district teacher-training institute was established, and the success of the program there led to the planning of similar teacher-training units at all district centers. Vocational education was given increased emphasis at all intermediate schools. The development of educational materials written in the local vernaculars and adapted to the local cultures moved forward in all districts.

The departments of public health and education continued joint efforts in the field of health education. Similarly, programs of school agriculture and adult education were pushed vigorously.

Public Health

As reported at previous Council meetings, major attention is being given to the serious health problem of tuberculosis. A BCG vaccine program is in its second year, and work already has been completed in Yap district. In other districts this program continues.

The first major epidemic in the history of the present administering authority occurred in Palau district during July of 1957. Here the Asian flu, apparently brought in by crew members of one of our ships, within a short period of time afflicted some 85-90 percent of the total population of Palau district. This influenza epidemic struck during a period when our American district medical director was on home leave and only Micronesian medical practitioners were on duty in the district. Upon learning of the seriousness of the influenza epidemic, my staff at headquarters prepared to mobilize, if necessary, our medical staff and facilities from other districts as well as calling upon the United States Naval Hospital in Guam for emergency aid. The Palauan medical practitioners, Palauan nurses, and other local staff plunged into the monumental task of battling an outbreak of epidemic proportion, while carrying on at the same time all of the routine duties of a busy district hospital. I am proud to report that the Micronesian medical staff had control of the situation from the very outset and did such a capable job that our district administrator at

Palau did not feel it was necessary to call for outside help. Members of this Council recently may have seen a magazine story on the work of the Micronesian medical practitioners in one of the well-known United States weekly magazines. That story not only describes the fine work the local medical staff at Palau district did in combating the influenza epidemic but also tells in detail how the medical practitioners throughout the territory are handling the public-health program.

We are indeed proud of our Micronesian medical practitioners, our dentists, nurses, laboratory technicians, sanitarians, and other public-health workers. The success of our Micronesian health-training program, to us, is one of our outstanding achievements.

This past year a Ponapean medical practitioner assumed full control of all public-health activities in the Ponape district. Now, in two of our districts, all public-health functions are under Micronesian direction. Within the next few months we also anticipate the replacement of two additional United States district directors of public health by qualified Micronesian medical practitioners.

During the past year two new field hospitals—one at Ebeye and the other at Kusaie—were put into operation. These field hospitals are headed by licensed Micronesian medical practitioners and staffed by trained and qualified local personnel. We now have nine hospital units in operation, seven main district units and the above two field units. A tenth out-island field hospital is undergoing construction at Jabor in the Jaluit Atoll and will, we hope, be in operation by next year. Work continues on new hospital construction at the district centers.

Special training of laboratory technicians as well as postgraduate training for nurses and medical interns continued during the year in Hawaii. An advanced course in anesthesia for selected trainees was carried out in Guam under the auspices of the Guam Naval Hospital and will continue this present year.

The program of training out-island health aides at all district hospitals was intensified. In some districts, as in the Marshalls, this training course was extended from 6 months to a full year. During the year a World Health Organization health educator spent several weeks in the territory advising the health and education departments on

their health-education program. Largely through his inspiration discussions are being held looking toward the development of a health-education training course under the joint auspices of the World Health Organization, the trust territory, and the Government of Guam. If these discussions lead to the actual holding of the training course in Guam this year, it is proposed that training courses will be held in subsequent years in Saipan and Ponape. To each of these courses the trust territory proposes to send some 25 to 30 trainees from the fields of education and public health for intensive training in public-health education. We will also furnish part of the teaching staff.

Construction

Our construction program has gone forward in all districts. We believe it is essential that needed construction in the areas of power plants, warehouses, roads, harbors and docking facilities, refrigeration plants, administration buildings, and the like should be accomplished within the confines of our local Micronesian resources, not by bringing in outside contractors and outside labor. Our long-range construction program may thus take more time to bring to completion, but, by so doing, we not only provide training for Micronesians but also channel most of the construction funds into the Micronesian economy.

While typhoons Lola and Ophelia brought about temporary setbacks to the construction program in Truk and Ponape, in general our overall program progressed satisfactorily. Major projects completed during the year included such needed facilities as new power plants, new refrigeration plants, permanent staff housing, new public-works centers, as well as a variety of smaller projects.

The total number of employees engaged in public works at the close of the fiscal year was over 1,000, of which 92 percent were Micronesian. Close to \$900,000 was allotted for construction purposes during the fiscal year. Thus, in the past 3 years we have spent well over \$2½ million on our construction program. Upon completion of the present program of building permanent installations, the territory will possess a physical plant commensurate with the services the administration must render.

Communications

The enormous sea area over which we must operate makes our supply and logistic operation one of considerable magnitude. The administration has continued the program of replacing wartimebuilt, high-speed-engined vessels with vessels more suitable for the area. During the year a contract was made with a Japanese firm for the construction of a 140-foot passenger-cargo vessel for intradistrict work. Delivery of this new ship is expected in July of this year, and it has been designated as the new station vessel for Ponape district.

Air transportation in the area was provided as in previous years by our fleet of three amphibious SA-16A planes. Extra flights due to the typhoon emergencies, medical lifts, and added requirements of transportation of personnel resulted in trust territory aircraft being flown more miles than any previous year.

Our radio communication system, particularly our out-island network, has been strengthened. Rongelap joined this network during the past year as did Namorik—making a total of 17 out-island radio stations in operation throughout the territory.

Political Development

We have continued, in the year under review, to press forward in all phases of political development. The institution of a systematic program of chartering of municipalities throughout the territory met in some areas with deep interest and response. This community interest had an unexpected effect on our target dates for the chartering of municipalities. In Truk, for example, the local communities saw in the formal chartering program an opportunity to launch a program of political education on the local level. In Moen municipality, seat of the district center of the Truk district, the municipal council composed of village heads met regularly once or twice a week for a period of 3 months with representatives of the administration, studying and discussing in detail the proposed charter revisions before presenting the formal request for a charter to the office of the High Commissioner. Here and in other municipalities public meetings explaining the purposes of the charter program have been held.

The initiation of this formal program of char-

tering of municipalities demonstrated again the wisdom of moving slowly on a program of political development. It is our contention, shared by the local political leaders, that, until the people fully comprehend and appreciate what a formal charter means in terms of their local political development, the granting of a charter is a somewhat meaningless gesture. For this reason the number of charters granted during the year was smaller than we had originally anticipated. In three districts also, the Marshalls, Ponape, and Truk, the necessary introductory and orientation work was brought to a virtual standstill for several months when all local energies had to be devoted to typhoon relief and rehabilitation work. Thus we granted only 12 municipal charters rather than the 20 that we earlier had expected to give out by June 1958. In retrospect it now appears that a longer orientation period is needed than we thought when the program was launched.

Political progress on a district level has been very satisfactory. With the granting of a charter last August, a district-wide unicameral congress came into being in Truk district 3 years before the target date set for that event. Truk Congress held its first meeting last October and had a most successful session.

An interesting political development along district-wide lines has been the trend to abolish the bicameral bodies, one house of which was hereditary, into unicameral bodies with entire membership elected. In May of this year a constitutional convention of elected delegates from all municipalities of Ponape district met in Kolonia, the Ponape district center, to consider ways and means of turning the present two-house Ponape Island Congress into a district wide congress. A draft of a charter establishing a unicameral legislative body is now under study.

This proposed unicameral congress for Ponape will be a step forward, for in that district the original island congress had insisted upon an hereditary house of nobles in addition to an elected house of peoples' representatives. It is gratifying to report that much of the impetus for setting up a unicameral body in Ponape district, with all membership elected, stemmed from the hereditary nobles themselves.

In the Marshalls the seventh annual meeting of the Marshall Islands District Congress last October also resolved to study ways and means for the drafting of a new charter which would establish a unicameral legislative body. Throughout the year the Marshall Islands Congress Holdover Committee worked on this problem and, in consultation with a special headquarters consultant on political affairs, prepared a draft for a new charter which will be considered this coming August during the 1958 annual session of the present Congress.

Yap district as yet does not envision a districtwide elective legislative body since its out-island areas pose problems somewhat unique to that district. A formal charter designed to establish a Yap Island legislative council currently is under preparation and should be ready for submission to my office within the next few months.

A highlight of the year was the holding last October in Guam for the second time of an interdistrict conference of Micronesian leaders. The success of this conference, to which all delegates in each district were elected by representative legislative or advisory bodies, led to the decision to schedule this conference on an annual basis. At the request of the delegates this group shall be known as the Interdistrict Advisory Committee to the High Commissioner. In summing up his impressions one of the Micronesian delegates expressed himself in his closing remarks by these words:

To me, the fact that we met, regardless of whether anything is accomplished, is itself a great advance in our political development. I am saying this because conferences of this nature are the first in our history. I no longer feel like a stranger to the other delegates, but as though we are brothers living on different islands. I am no longer afraid to speak out.

If interdistrict conferences did nothing but bring about this feeling of unity, I would feel that they are indeed worth while. They are valuable also in that Micronesians are learning from each other at these conferences as is our administration. As a result of meetings of this nature our task of administration is made easier and more responsive to the true needs of the Micronesians. Other territory-wide conferences during the year, such as the judicial conference and the educational conference, in which Micronesians from all districts participated, brought about better understanding of common problems.

At earlier Trusteeship sessions various members

have commented on the fact that a uniform age for suffrage was not found throughout the territory, specifically noting that voting age started at 26 years in the Palau district. This administration has maintained that the setting of a voting age should be done by the people themselves, not by arbitrary action on our part. I am thus very pleased to be able to report that during the past year the Palau Congress of their own volition revised the age of suffrage downward to 21 years.

Claim Settlement

The success with which we made settlement of the land claims for the people of Kili and Ujelang already has been described in detail to this Council, both in my verbal report last year as well as in our annual report of 1957, 2 which is up for review at this session.

We have continued to work toward the settlement of remaining land claims elsewhere in the territory. All remaining land claims in the Yap district, specifically those in Ulithi, should be settled by July 1 of this year. Money has been set aside for final settlement of remaining claims in Palau district, and these too, it is hoped, will be settled by the end of this calendar year. Only in the Marshall Islands district do appreciable land claims still remain unresolved, some due to still needed cadastral surveying and final land determinations, others pending agreement of acceptable terms to the owners and the Trust Territory Government. Claimants in the Kwajalein Atoll have expressed a desire to have legal counsel in negotiating settlement of their claims. We are now engaged in conversations with the lawyers to seek agreement on procedural aspects of their representation of the claimants.

The last remaining claims of a contractual nature, the redeeming of Micronesian-held Japanese bonds and of postal savings, are in the final state of settlement. We had expected to have all claims of this type completed by the end of this month. Since most of the postal savings are very small in amount, many Micronesians as yet have not turned in their claims. It now appears that the settlement of these remaining tiny claims will stretch over an indeterminate period. Sufficient funds for final settlement of postal savings claims

have been set aside and will be disbursed until all are met.

Relocation of Displaced Persons

An outstanding event of this year was the return of the people of Rongelap Island to their home atoll in the Marshall Islands. All reports to date indicate that the Rongelapese are making a satisfactory adjustment. As in any relocation of people minor problems still remain to be worked out, but, in general, the adjustment back to atoll life has been faster and smoother than we expected. As members of this Council know, each year a very thorough medical reexamination of the people of Rongelap and Utirik has been carried out. This year's examination conducted in Utirik and in Rongelap during March demonstrated again that the people are in good health. Not only does Rongelap today have a fully equipped dispensary manned by a trained health aide but with their two-way island radio are constantly in contact with our medical staff at Ebeve or Majuro. If necessary, we can arrange to have a plane at Rongelap within a matter of 2 to 3 hours to handle any medical emergency.

We are encouraging as fast as possible the replanting of all types of subsistence foods. To this end we are employing an additional agriculturist to aid the Rongelapese in the rehabilitation of their local food crops.

We have continued to aid in the development of the Kili and Ujelang people. This year each group received sizable interest payments from the trust funds established for them by the land claims settlement of last year. This interest payment amounted to \$10,000 for the Kili people and \$4,500 for the people of Ujelang. Added to their copra income, the cash income of both peoples more than doubled as a result.

At Kili also the first 6 months of the year saw the very successful operation of the 50-foot schooner, the *Libra*. The operation of this Kili boat effectively broke the former isolation of Kili and enabled the people to use their small islands in the Jaluit lagoon. I regret to report that the *Libra* was driven on the reef at Kili by the typhoon last November and sank, fortunately with no loss of life. Fortunately also, Kili suffered only slight damage to tree crops in this storm. When in early January the second disastrous typhoon smashed

² U.N. doc, T/1383.

into the Jahuit Atoll, the island of Kili again was spared. Only relatively slight damage to crops and homes occurred. The Kili settlement on Jahuit, however, was wiped out along with the rest of Jabor, and the Kili people resident there returned to their home island. The people of Kili, with their island relatively untouched by the typhoons and with their annual interest payment of \$10,000 from their trust fund, are in an excellent position in contrast to the stricken people of the Jahuit Atoll.

Immediately upon the loss of the Kili boat, steps were taken to procure a new and better boat. The damage wrought by the second typhoon necessitated immediate action to service Kili and to aid in the rehabilitation work in the Jaluit and Namorik area, and to accomplish this we chartered a 60-foot schooner from a Marshallese in Majuro. It is our intention to keep this chartered schooner in operation until we can secure a permanent station vessel for the Kili people. A schooner to fit their specific needs has been ordered, and it is hoped that this new and much better vessel can be put into operation by late fall of this year.

In August or September of this current year we plan to initiate a new method of field-trip service to Ujelang Atoll. A new station vessel for the Ponape district has just been launched for the trust territory in Japan and should be ready to be put into service in late July. With this new ship in operation we propose to service Ujelang out of Ponape district in an attempt to give the people of Ujelang more frequent and better service.

The Setting of Tentative Target Dates

During the past several years members of this Council have been extremely interested in the setting of "target dates," particularly in the fields of social and political development. To attempt to attain rigidly a series of target dates could seriously and adversely affect the orderly and proper progress toward desirable political, social, and economic goals. However, it is recognized that target dates, provided there is flexibility, are essential to good planning. There is also a better defined sense of accomplishment when target dates are met. The following are targets this administration has in mind and which we think worthy of accomplishment. We desire to conduct this

administration so as to meet these dates, but at no time do we intend to lose sight of the fact that the manner in which the goal is reached is as important, if not more so, than the mere attaining of the target date.

Health

- 1. By 1959 all but two districts will have a Micronesian district director of public health.
- 2. It is anticipated that by 1963 all districts will have Micronesian district directors of public health.

Legal

Presently two Micronesians have received special scholarships in the field of law. If they successfully complete their studies and demonstrate the necessary ability, we hope that by 1965 the positions of public prosecutor and public defender will be filled by these Micronesians.

Education

Within 8 years each district will have a Micronesian director of education.

General Administration

If our present training program continues successfully, we anticipate that within 8 to 10 years all district finance and supply personnel will be Micronesians.

Agriculture

By 1961 we shall have a fully trained Micronesian in charge of a district agricultural program. *Political*

- 1. By 1960 there will be district unicameral congresses in four major districts—Ponape, Marshalls, Truk, and Palau.
- 2. An average of 10 municipalities will be chartered each year for the next 5 years.
- 3. To develop by 1965 the present Interdistrict Advisory Committee to the High Commissioner into an elected territorial advisory council.

We have previously announced the enactment of organic legislation as a target for 1960. We have such legislation under preparation, but it is becoming increasingly clear that enactment by 1960 is not a realistic goal. We wish to advise the Council of our doubts on the accomplishment of this particular target but at the same time to assure the Council of our intention to press forward with the legislation as rapidly as practicable.

An analysis of the above tentative targets fully supports the firm belief that this administering authority has often voiced, namely, that the democratic growth and development of Micronesia must be predicated on the growing acceptance of responsibility by Micronesians and the proper discharge of these responsibilities by them.

At this point, Mr. President, I should like to say a few words regarding the current series of nuclear tests. Perhaps it is unnecessary to reassure the Council on this question, but I would like to say again that every precaution that is humanly possible is being taken for the safety and well-being of the inhabitants of the trust territory. I say this from personal experience as I have recently come from the area in which the tests have been under way for nearly 2 months. As you will recall, we took similar precautions during the 1956 test series. These insured the successful completion of that series of tests without incident. I am happy to say that everything is going well with the current series and that the precautions are again proving very effective. Thus we are adhering to the previous resolutions of this Council regarding precautions which we supported when they were adopted.

Conclusion

In this report I have touched only briefly upon what we believe to be the outstanding events of the year. I have not attempted to summarize the achievements of our service programs for these, I feel, have been described sufficiently in the report which is before this Council for review. I shall be pleased to amplify or clarify any points which members of this body may wish to bring forth during the question period.

This past year has been unusual in that emergency events moved in upon us, necessitating actions that had not been envisioned in our scheduled program. The emergencies of the past year have been a true test of the ability of Americans and Micronesians to work together to solve major and unexpected problems. It is my opinion that the manner in which we did work as a team is more than sufficient evidence that our Government has been following a wise course of administration. We shall continue, then, to build on this framework which rests essentially upon the desire and willingness of the Micronesian to participate as

rapidly as his capabilities will permit in the operation of an administration which, in the final analysis, is his.

I am grateful for this opportunity to once again present this report of our progress.

Mr. Jones To Be U.S. Commissioner on Tuna Commission

The White House announced on July 1 that the President had that day appointed Robert L. Jones to be a U.S. Commissioner on the Inter-American Tropical Tuna Commission, vice Gordon W. Sloan, resigned.

TREATY INFORMATION

U.S. and Scandinavian Countries Revise Air Transport Agreements

Press release 389 dated July 8

DEPARTMENT ANNOUNCEMENT

Civil aviation discussions in Washington between the United States on the one hand and Denmark, Norway, and Sweden on the other concluded with an exchange of notes on July 8, 1958, revising the annexes to the air transport agreements between the United States and Denmark, Norway, and Sweden. Thomas C. Mann, Assistant Secretary for Economic Affairs, represented the United States in the exchange. Denmark was represented by Ambassador Henrik de Kautimann, Norway by the Norwegian Chargé d'Affaires ad interim, Torfinn Oftedal, and Sweden by the Swedish Chargé d'Affaires ad interim, Carl L. Douglas. The discussions arose from the Scandinavian request that the route to Los Angeles, granted on an experimental basis in 1954,1 be made permanent.

The revision of the annexes to the air transport agreements establishes uniform route descriptions and air traffic rights in the United

¹ Bulletin of Aug. 16, 1954, p. 251.

States for the three countries. The Scandinavian Governments retain traffic rights to New York and Chicago. However, the "beyond" rights previously appearing in the Danish and Swedish agreements have been deleted. Traffic rights were granted to Los Angeles and to Anchorage.

The United States maintains traffic rights to Copenhagen, Oslo, Stavanger, and Stockholm, and no change was made in the existing broad "beyond" rights from those points.

A paragraph has been added to the annex of the agreements providing that points specified on the routes may be omitted at the option of the designated airlines.

TEXT OF U.S. NOTE:

JULY 8, 1958

EXCELLENCY: 1 have the honor to acknowledge the receipt of your note of today's date which reads as follows:

"I have the honor to refer to discussions which recently have taken place in Washington concerning air transport services between Denmark and the United States of America.

"It is proposed that the Government of Denmark and the Government of the United States of America agree to replace the Annex to the Air Transport Agreement between Denmark and the United States of America, signed December 16, 1944, as amended, by the following:

"'ANNEX TO AIR TRANSPORT AGREEMENT BETWEEN
DENMARK AND THE UNITED STATES OF AMERICA

"A. Airlines of the United States designated under the present agreement are accorded rights of transit and non-traffic stop in Danish territory, as well as the right to pick up and discharge international traffic in passengers, eargo and mail at the point in Denmark specified in the following route:

From the United States via intermediate points to Copenhagen and points beyond; in both directions.

"B. Airlines of Denmark designated under the present agreement are accorded rights of transit and non-traffic stop in the territory of the United States, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at the points in the United States specified in the following routes:

1. From Denmark via intermediate points to (a) New York and (b) Chicago; in both directions.

2. From Denmark (via Greenland) to Los Angeles; in both directions.

3. From Denmark to Anchorage; in both directions.

² The note printed here is addressed to Henrik de Kauffmann, Ambassador of Denmark. The texts of the notes to the Norwegian and Swedish Governments are identical with the exception of the naming of cities in the respective countries.

"'C. Points on any of the specified routes may, at the option of the designated airline, be omitted on any or all flights.'

"If the routes described above are in accordance with the understanding of the Government of the United States, my Government will be pleased to consider these amendments as entering into force upon the date of your reply of acceptance.

"I avail myself of the opportunity to renew to you, Sir, the assurances of my highest consideration."

I have the honor to inform you that the routes described above and the terms and conditions specified are in accordance with the understanding of the United States Government and that my Government will consider your note together with this reply as constituting an amendment of the Agreement effective from today's date.

Accept, Excellency, the renewed assurances of my highest consideration. $\,$

For the Secretary of State:

THOMAS C. MANN

Current Actions

MULTILATERAL

Aviation

Protocol to amend convention for unification of certain rules relating to international carriage by air signed at Warsaw October 12, 1929 (49 Stat. 3000). Done at The Hague September 28, 1955.¹ Signature: New Zealand, March 19, 1958.

Narcotic Drugs

Convention relating to the suppression of the abuse of opium and other drugs. Signed at The Hague January 23, 1912. Entered into force February 11, 1915. 38 Stat. 1912.

Accession deposited: Jordan, May 12, 1958.

BILATERAL

Belgium

Convention supplementing the convention of October 28, 1948 (TIAS 2833), for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, as modified by the supplementary convention of September 9, 1952 (TIAS 2833). Signed at Washington August 22, 1957.

Senate advice and consent to ratification given: July 9, 1958.

Brazil

Agreement amending research reactor agreement concerning civil uses of atomic energy of August 3, 1955 (TIAS 3303). Signed at Washington July 9, 1958. Enters into force on date on which each government receives from the other written notification that it has complied with statutory and constitutional requirements.

Ecuador

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U. S. C. 1701–1709),

³ Bulletin of Dec. 17, 1914, p. 759.

¹ Not in force.

with memorandums of understanding. Signed at Quito June 30, 1958. Entered into force June 30, 1958.

France

Agreement amending the agricultural commodities agreement of December 27, 1957 (TIAS 3971). Effected by exchange of letters at Paris June 30, 1958. Entered into force June 30, 1958.

India

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U. S. C. 1701–1709), with related letter. Signed at New Delhi June 23, 1958. Entered into force June 23, 1958.

Ireland

Research reactor agreement concerning civil uses of atomic energy. Signed at Washington March 16, 1956. Entered into force: July 9, 1958 (date on which each government received from the other written notification that it had complied with statutory and constitutional requirements).

Israel

Agreement supplementing the agricultural commodities agreement of November 7, 1957, as amended (TIAS 3945 and 4006). Effected by exchange of notes at Washington June 30, 1958. Entered into force June 30, 1958.

Italy

Agreement amending the agricultural commodities agreement of October 30, 1956, as amended (TIAS 3702, 3760, 3762, 3788, and 3796). Effected by exchange of notes at Rome June 30, 1958. Entered into force June 30, 1958.

Mexico

Agreement amending the first memorandum of understanding to the agricultural commodities agreement of October 23, 1957 (TIAS 3935). Effected by exchange of notes at Mexico City June 30, 1958. Entered into force June 30, 1958.

Norway

Convention supplementing the convention of June 13, 1949, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (TIAS 2357). Signed at Oslo July 10, 1958. Enters into force upon exchange of ratifications.

Pakistan

Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. Signed at Washington July 1, 1957. Senate advice and consent to ratification given (with a reservation): July 9, 1958.

Peru

Agreement amending annex to air transport services agreement of December 27, 1946 (TIAS 1587). Effected by exchange of notes at Washington April 24 and May 28, 1958. Entered into force May 28, 1958.

Philippines

Agreement on the use of the veterans memorial hospital and for the provision of medical care and treatment of veterans by the Government of the Philippines, and the furnishing of grants-in-aid thereof by the Government of the United States. Signed at Manila June 30, 1958. Entered into force July 1, 1958.

Agreement for the construction and equipping of hospitals for veterans and the provision of medical care and treatment of veterans by the Philippines and the furnishing of grants-in-aid by the United States. Signed at Manila June 7, 1949. Entered into force June 7, 1949. TIAS 1949.

Terminated: July 1, 1958 (superseded by agreement of June 30, 1958, supra).

Agreement amending the agreement of June 7, 1949 (TIAS 1949) relating to veterans hospitals and medical care. Exchange of notes at Manila October 6, 1954. Entered into force October 6, 1954. TIAS 3111. Terminated: July 1, 1958 (superseded by agreement of June 30, 1958, supra).

Spain

Agreement further supplementing the agricultural commodities agreement of January 27, 1958, as supplemented (TIAS 4010 and 4018). Signed at Madrid June 30, 1958. Entered into force June 30, 1958.

Turkey

Agreement supplementing the agricultural commodities agreement of January 20, 1958 (TIAS 3981). Signed at Ankara June 25, 1958. Entered into force June 25, 1958.

United Kingdom

Notification by the United Kingdom with a view to extending the application of the convention of April 16, 1945, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, as modified by the supplementary protocols of June 6, 1946, May 25, 1954, and August 19, 1957, to certain British overseas territories, embodied in a note dated August 19, 1957, from the British Ambassador to the Secretary of State.¹

Senate advice and consent to ratification given (with a reservation regarding the protocol of August 19, 1957): July 9, 1958.

Viet-Nam

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U. S. C. 1701–1709), with memorandum of understanding and exchange of notes. Signed at Saigon June 17, 1958. Entered into force June 17, 1958.

Yugoslavia

Agreement supplementing the agricultural commodities agreement of February 3, 1958 (TIAS 4000), with exchange of notes. Signed at Belgrade June 26, 1958. Entered into force June 26, 1958.

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on July 10 confirmed Waldemar J. Gallman to be Ambassador to the Arab Union. (For biographic details, see Department of State press release 378 dated July 2.)

Designations

Daly C. Lavergne as director of the U.S. Operations Mission in Laos, effective July 7. (For biographic details, see Department of State press release 387 dated July 7.)

¹ Not in force.

| July 28, 1958 | TIN |
|--|-------------------|
| American Principles. The Defense of Freedom (Kohler) . | 154 |
| American Republics. Mr. Jones To Be U.S. Commissioner on Tuna Commission | 174 |
| Tuna Commission | 176 |
| Atomic Energy | |
| Relationship of Geneva Technical Talks and Suspension of Nuclear Tests | 148 |
| United States and United Kingdom Sign New Agreement Under Amended Atomic Energy Act (Department an- | |
| nouncement, President's message to Congress, text of agreement) | 157 |
| Aviation. U.S. and Scandinavian Countries Revise Air | 174 |
| Transport Agreements (text of U.S. note) | 111 |
| Pakistan, and Paraguay | 156 |
| China, Communist. "Slxteen" Call for Settlement of Korean Question | 152 |
| Congress, The Congressional Documents Relating to Foreign Policy | 164 |
| United States and United Kingdom Sign New Agreement | |
| Under Amended Atomic Energy Act (Department announcement, President's message to Congress, text of agreement) | 157 |
| Cuba. Reports on Arms Shipments to Cuba Called Erroneous | 153 |
| Denmark. U.S. and Scandinavian Countries Revise Air | |
| Transport Agreements (text of U.S. note) | 174 |
| Confirmations (Gallman) | $\frac{176}{176}$ |
| Disarmament. Basic Elements in U.S. Foreign Policy | |
| (Murphy) | 141 |
| Helicopter Crew and Passengers (U.S. and Soviet aide memoire) | 147 |
| India. United States Signs Loan Agreements With India and Tunisia | 156 |
| International Organizations. Mr. Jones To Be U.S. Commis- | |
| sioner on Tuna Commission | 174 |
| Economic Development Loan to Iran | $\frac{154}{153}$ |
| Korea. "Sixteen" Call for Settlement of Korean Question. | 152 |
| Laos. Lavergne designated Director, USOM | 176 |
| Military Affairs Reports on Arms Shipments to Cuba Called Erroneous | 153 |
| U.S. Asks Soviets To Return DC-6 Crew Forced Down in U.S.S.R. (U.S. memorandum, Soviet note) U.S. Reiterates Request for Release of Helicopter Crew and Passengers (U.S. and Soviet alde memoire). | 146 |
| Passengers (U.S. and Soviet alde memoire) | 147 |
| Mutual Security Basic Elements in U.S. Foreign Policy (Murphy) | 141 |
| Economic Development Loan to Iran Lavergne designated Director, USOM, Laos | $\frac{154}{176}$ |
| U.S. Authorizes Development Loans for Ceylon, Pakistan, and Paraguay | 156 |
| United States Signs Loan Agreements With India and Tunisia | 156 |
| Non-Self-Governing Territories. The Trnst Territory of the Pacific Islands (Nucker) | 165 |
| Norway. U.S. and Scandinavian Countries Revise Air | |
| Pakistan. U.S. Authorizes Development Loans for Ceylon, | 174 |
| Pakistan, and Paragnay Paraguay. U.S. Authorizes Development Loans for Ceylon, | 156 |
| Pakistan, and Paraguay | 156 |
| Presidential Documents. United States and United Kingdom Sign New Agreement Under Amended Atomic Energy Act (message to Congress) | 157 |
| Protection of Nationals U.S. Asks Soviets To Return DC-6 Crew Forced Down in | |
| U.S. R. (U.S. memorandum, Soviet note). U.S. Reiterates Request for Release of Helicopter Crewand Passengers (U.S. and Soviet aide memoire). | 146 |
| | 147 |
| Sweden, U.S. and Scandinavian Countries Revise Air Transport Agreements (text of U.S. note) | 174 |
| Treaty Information Current Actions . | 175 |
| U.S. and Scandinavian Countries Revise Air Transport Agreements (text of U.S. note) United States Signs Loan Agreements With India and | 174 |

| Tunisia. United State | s 8 | igi | ıs l | .oa | n A | \gr | een | æn | ts ' | Wit | h I | nd | ia | 156 |
|---|------------------------------|-------------------------------|---------------------------------|-----------------------------------|---------------------------------------|--|-----------------------|-------------------------------|---------------------------|--------------------------|------------------|------------------|---------------|--------------------------|
| U.S.S.R. Basic Elements in U.; Relationship of Genev of Nuclear Tests. I.S. Asks Soviets To U.S.S.R. (U.S. men) U.S. Reiterates Reque and Passengers (U. U.S. Rejects Soviet Pr (texts of statement | ra Re ora est S. | Te tur inc fo and | chi n I lum r I d S | iica oC- kelovi ovi A | tl' -6 Sov Pas iet tto | Tal Cre iet e (aid rne | ks w no le i | an Fo te) Ucl ner | d l rce lico noi | Sus d I pte re) | pei ow r (| isio m Cre | on In w | 141 148 146 147 |
| United Kingdom. Unit New Agreement Unit (Department announgress, text of agrees | ide ice | r me | Am nt. | en Pr | ded esi | l A der | tor | nie me | E 288 | nei ige | gy | Co | et n- | 157 |
| United Nations "Sixteen" Call for Set The Trust Territory o | ttlo | me | en t | of | K | re: | a n | Qu | est | lon | | | | $\frac{152}{165}$ |
| | | Ŋ | an | €. | Ind | ex. | | | | | | | | |
| Dulles, Secretary | , | | | | | | | | | | | | | 157 |
| rascunower, President | | | | | | | | | | | | | | 157 |
| Gailman, Waldemar J | | | | | | | | | | | | | | 176 |
| Herter, Christian A . | | | | | | | | | | | | | | 150 |
| Jones, Robert L., | | | | | | | | | | | | | | 174 |
| Kohler, Foy D | | | | | | | | | | | | | | 154 |
| Lavergne, Daly C | | | | | | | | | | | | | | 176 |
| Libby, W. F | | | | | | | - | | | | | | | 157 |
| Lodge, Henry Cahot, | | | | | | | | | | | | | | 152 |
| McElroy, Neil H | | | | | | | | | | | | | | 157 |
| Murphy, Robert | | | | | | | | | | | | | | 141 |
| Nucker, Delmas H | | | | | | | | | | | | | | 165 |
| Pahlavi, Mohammad 1 | tez | a | Sha | h | | | į. | | į. | | | | | 153 |
| | | | | | • | • | , | • | , | | - | , | | 2 10 1 |

Check List of Department of State Press Releases: July 7-13

Press releases may be obtained from the News Division, Department of State, Washington 25,

Releases issued prior to July 7 which appear in this issue of the Bulletin are Nos. 361 of June 27, 363, 366, and 367 of June 30, 368 and 374 of July 1, 376 and 377 of July 2, and $379,\,382,\,383,\,384,\,384-A,$ and 385 of July 3.

| No. | Date | Subject |
|------|------|---|
| *386 | 7/7 | Yost nominated Ambassador to Morocco (biographic details). |
| 387 | 7/7 | Lavergne sworn in as Director of USOM in Laos (rewrite). |
| †388 | 7/8 | Renegotiations under GATT with Australia, New Zealand, Austria, Finland, and Netherlands and Surinam. |
| 389 | 7/8 | Revision of air transport agreements with Scandinavia. |
| 390 | 7/9 | Aide memoire to U.S.S.R. on helicopter crew. |
| *391 | 7/9 | DLF loan to Paraguay. |
| *392 | 7/9 | ICA guarantees investment of South American Placers in Bolivia. |
| †393 | 7 9 | Atoms-for-peace agreement with Brazil amended. |
| *394 | 7/10 | Foreign students visit Washington. |
| *395 | 7/10 | Educational exchange (France). |
| *396 | 7/10 | Three Foreign Service officers nominated career ministers. |
| †397 | 7 11 | Supplementary income tax convention with Norway. |
| †398 | 7/11 | Military sales agreement with Burma. |
| †399 | 7/11 | Note to U.S.S.R. on U.S. transport plane. |

^{*} Not printed.

[†] Held for a later issue of the BULLETIN.



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|---|---|
| UNITED STATES DISPA LEBANON • Statements Message From the President to | by President Eisenhower and |
| THE LEBANESE COMPLAIN COUNCIL • Statements by A and Texts of U.S. and Japanes | mbassador Henry Cabot Lodge |
| LETTER ON EXPANSION | 200 |
| | S VISIT TO CANADA • nadian Parliament and Texts of |
| | THE UNITED NATIONS resident Eisenhower's Letter of Report to Congress 218 |

THE DEPARTMENT OF STATE



Vol. XXXIX, No. 997 • Publication 6680

August 4, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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United States Dispatches Troops to Lebanon

After the overthrow of the Government of King Faisal II of Iraq on July 14, President Eisenhower ordered a contingent of U.S. forces to Lebanon "to protect American lives and by their presence there to encourage the Lebanese government in defense of Lebanese sovereignty and integrity." Following are texts of a statement by the President released by the White House on July 15, a message from the President to the Congress of July 15, and a statement delivered by the President over a nationwide radiotelevision hookup the evening of July 15.

STATEMENT BY PRESIDENT EISENHOWER

White House press release dated July 15

Yesterday morning, I received from President Chamoun of Lebanon an urgent plea that some United States forces be stationed in Lebanon to help maintain security and to evidence the concern of the United States for the integrity and independence of Lebanon. President Chamoun's appeal was made with the concurrence of all of the members of the Lebanese Cabinet.

President Chamoun made clear that he considered an immediate United States response imperative if Lebanon's independence, already menaced from without, were to be preserved in the face of the grave developments which occurred yesterday in Baghdad whereby the lawful government was violently overthrown and many of its members martyred.

In response to this appeal from the government of Lebanon, the United States has dispatched a contingent of United States forces to Lebanon to protect American lives and by their presence there to encourage the Lebanese government in defense of Lebanese sovereignty and integrity. These forces have not been sent as any act of war. They will demonstrate the concern of the United States for the independence and integrity of Lebanon, which we deem vital to the national interest and world peace. Our concern will also be shown by economic assistance. We shall act in accordance with these legitimate concerns.

The United States, this morning, will report its action to an emergency meeting of the United Nations Security Council. As the United Nations charter recognizes, there is an inherent right of collective self-defense. In conformity with the spirit of the charter, the United States is reporting the measures taken by it to the Security Council of the United Nations, making clear that these measures will be terminated as soon as the Security Council has itself taken the measures necessary to maintain international peace and security.

The United States believes that the United Nations can and should take measures which are adequate to preserve the independence and integrity of Lebanon. It is apparent, however, that in the face of the tragic and shocking events that are occurring nearby, more will be required than the team of United Nations observers now in Lebanon. Therefore, the United States will support in the United Nations measures which seem to be adequate to meet the new situation and which will enable the United States forces promptly to be withdrawn.

Lebanon is a small peace-loving state with which the United States has traditionally had the most friendly relations. There are in Lebanon about 2,500 Americans and we cannot, consistently with our historic relations and with the principles of the United Nations, stand idly by when Lebanon appeals itself for evidence of our concern and

August 4, 1958

when Lebanon may not be able to preserve internal order and to defend itself against indirect aggression.

MESSAGE TO THE CONGRESS 1

To the Congress of the United States:

On July 14, 1958, I received an urgent request from the President of the Republic of Lebanon that some United States forces be stationed in Lebanon. President Chamoun stated that without an immediate showing of United States support, the Government of Lebanon would be unable to survive. This request by President Chamoun was made with the concurrence of all the members of the Lebanese Cabinet. I have replied that we would do this and a contingent of United States Marines has now arrived in Lebanon. This initial dispatch of troops will be augmented as required. United States forces will be withdrawn as rapidly as circumstances permit.

Simultaneously, I requested that an urgent meeting of the United Nations Security Council be held on July 15, 1958. At that meeting, the permanent representative of the United States reported to the Council the action which this Government has taken. He also expressed the hope that the United Nations could soon take further effective measures to meet more fully the situation in Lebanon. We will continue to support the United Nations to this end.

United States forces are being sent to Lebanon to protect American lives and by their presence to assist the Government of Lebanon in the preservation of Lebanon's territorial integrity and independence, which have been deemed vital to United States national interests and world peace.

About 2 months ago a violent insurrection broke out in Lebanon, particularly along the border with Syria which, with Egypt, forms the United Arab Republic. This revolt was encouraged and strongly backed by the official Cairo, Damascus, and Soviet radios which broadcast to Lebanon in the Arabic language. The insurrection was further supported by sizable amounts of arms, ammunition, and money and by personnel infiltrated from Syria to fight against the lawful authorities. The avowed purpose of these activities was to overthrow the legally constituted Government of Lebanon and to install by violence a

government which would subordinate the independence of Lebanon to the policies of the United Arab Republic.

Lebanon referred this situation to the United Nations Security Council.² In view of the international implications of what was occurring in Lebanon, the Security Council on June 11, 1958, decided to send observers into Lebanon for the purpose of insuring that further outside assistance to the insurrection would cease. The Secretary General of the United Nations subsequently undertook a mission to the area to reinforce the work of the observers.

It was our belief that the efforts of the Secretary General and of the United Nations observers were helpful in reducing further aid in terms of personnel and military equipment from across the frontiers of Lebanon. There was a basis for hope that the situation might be moving toward a peaceful solution, consonant with the continuing integrity of Lebanon, and that the aspect of indirect aggression from without was being brought under control.

The situation was radically changed, however, on July 14, when there was a violent outbreak in Baghdad, in nearby Iraq. Elements in Iraq strongly sympathetic to the United Arab Republic seem to have murdered or driven from office individuals comprising the lawful Government of that country. We do not yet know in detail to what extent they have succeeded. We do have reliable information that important Iraqi leaders have been murdered.

We share with the Government of Lebanon the view that these events in Iraq demonstrate a ruthlessness of aggressive purpose which tiny Lebanon cannot combat without further evidence of support from other friendly nations.

After the most detailed consideration, I have concluded that, given the developments in Iraq, the measures thus far taken by the United Nations Security Council are not sufficient to preserve the independence and integrity of Lebanon. I have considered, furthermore, the question of our responsibility to protect and safeguard American citizens in Lebanon of whom there are about 2,500. Pending the taking of adequate measures by the United Nations, the United States will be acting pursuant to what the United Nations Charter recognizes is an inherent right—

¹ H. Doc. 422, 85th Cong., 2d sess.

² Bulletin of July 14, 1958, p. 88.

the right of all nations to work together and to seek help when necessary to preserve their independence. I repeat that we wish to withdraw our forces as soon as the United Nations has taken further effective steps designed to safeguard Lebanese independence.

It is clear that events which have been occurring in Lebanon represent indirect aggression from without, and that such aggression endangers the independence and integrity of Lebanon.

It is recognized that the step now being taken may have serious consequences. I have, however, come to the considered and sober conclusion that despite the risks involved this action is required to support the principles of justice and international law upon which peace and a stable international order depend.

Our Government has acted in response to an appeal for help from a small and peaceful nation which has long had ties of closest friendship with the United States. Readiness to help a friend in need is an admirable characteristic of the American people, and I am, in this message, informing the Congress of the reasons why I believe that the United States could not in honor standidly by in this hour of Lebanon's grave peril. As we act at the request of a friendly government to help it to preserve its independence and to preserve law and order which will protect American lives, we are acting to reaffirm and strengthen principles upon which the safety and security of the United States depend.

Dwight D. Eisenhower

The Winte House, July 15, 1958.

RADIO-TV STATEMENT

White House press release dated July 15

Yesterday was a day of grave developments in the Middle East. In Iraq a highly organized military blow struck down the duly constituted Government and attempted to put in its place a committee of Army officers. The attack was conducted with great brutality. Many of the leading personalities were beaten to death or hanged and their bodies dragged through the streets.

At about the same time there was discovered a highly organized plot to overthrow the lawful Government of Jordan.

Warned and alarmed by these developments,

Iran, Pakistan, and Turkey Express Gratitude for U.S. Action in Lebanon

Following is an exchange of messages between President Eisenhower and the Shah of Iran and the Presidents of Pukistan and Turkey.

Message From President Eisenhower

White House press release dated July 17

JULY 16, 1958

His Imperial Majesty Mohammad Reza Pahlavi His Excellency Iskander Mikza His Excellency Celal Bayar Ankara

I have received with deep appreciation your message of July 15 concerning the atirmative response of the United States to the plea for assistance from the Government of Lebanon. I am profoundly gratified by your support for this action, taken in accordance with the principle of the United Nations Charter which recognizes as inherent the right of all nations to work together and to seek help when necessary to preserve their independence.

DWIGHT D. EISENHOWER

Incoming Message

White House press release dated July 16

Ankara, July 16, 1958 1

The President

The White House

Washington

We have been informed by the United States Embassy in Ankara that upon the request of President Chamoun to the effect that the Eisenhower Doctrine be applied to Lebanon, the United States, in order to protect the independence and territorial integrity of Lebanon, has decided to act and accordingly units of the Sixth Fleet have landed in Beirut today.

This bold and appropriate decision of the United States will not only ensure the protection of the independence of Lebanon and the support of its legitimate government but will at the same time strengthen the determined position of Iran, Pakistan and Turkey and also renew and increase the faith of the free world in the leadership of the United States for the defense of the free nations.

We, meeting in Ankara, wish to convey to you, Mr. President, our appreciation and gratifude for this momentous decision in which we have deep satisfaction and relief.

Mohammad Reza Pahlavi Iskander Mirza Celal Bayar

August 4, 1958 183

¹On account of the time difference the incoming message was received at Washington on July 15.

President Chamoun of Lebanon sent me an urgent plea that the United States station some military units in Lebanon to evidence our concern for the independence of Lebanon, that little country which itself has for about 2 months been subjected to civil strife. This has been actively fomented by Soviet and Cairo broadcasts and abetted and aided by substantial amounts of arms, money, and personnel infiltrated into Lebanon across the Syrian border.

President Chamoun stated that without an immediate show of United States support the Government of Lebanon would be unable to survive against the forces which had been set loose in the area.

The plea of President Chamoun was supported by the unanimous action of the Lebanese Cabinet.

After giving this plea earnest thought and after taking advice from leaders of both the executive and congressional branches of the Government, I decided to comply with the plea of the Government of Lebanon. A few hours ago a battalion of United States Marines landed and took up stations in and about the city of Beirut.

The mission of these forces is to protect American lives—there are about 2,500 Americans in Lebanon—and by their presence to assist the Government of Lebanon to preserve its territorial integrity and political independence.

The United States does not, of course, intend to replace the United Nations, which has a primary responsibility to maintain international peace and security. We reacted as we did within a matter of hours because the situation was such that only prompt action would suffice. We have, however, with equal promptness moved in the United Nations. This morning there was held at our request an emergency meeting of the United Nations Security Council. At this meeting we reported the action which we had taken. We stated the reasons therefor. We expressed the hope that the United Nations would itself take measures which would be adequate to preserve the independence of Lebanon and permit of the early withdrawal of the United States forces.

The Situation in Lebanon

I should like now to take a few minutes to explain the situation in Lebanon.

Lebanon is a small country, a little less than

the size of Connecticut, with a population of about 1½ million. It has always had close and friendly relations with the United States. Many of you no doubt have heard of the American University at Beirut, which has a distinguished record. Lebanon has been a prosperous, peaceful country, thriving on trade largely with the West. A little over a year ago there were general elections, held in an atmosphere of total calm, which resulted in the establishment, by an overwhelming popular vote, of the present Parliament for a period of 4 years. The term of the President, however, is of a different duration and would normally expire next September. The President, Mr. Chamoun, has made clear that he does not seek reelection.

When the attacks on the Government of Lebanon began to occur, it took the matter to the United Nations Security Council, pointing out that Lebanon was the victim of indirect aggression from without. As a result, the Security Council sent observers to Lebanon in the hope of thereby insuring that hostile intervention would cease. Secretary-General Hammarskjold undertook a mission to the area to reinforce the work of the observers.

We believe that his efforts and those of the United Nations observers were helpful. They could not eliminate arms or ammunition or remove persons already sent into Lebanon. But we believe they did reduce such aid from across the border. It seemed, last week, that the situation was moving toward a peaceful solution which would preserve the integrity of Lebanon and end indirect aggression from without.

Those hopes were, however, dashed by the events of yesterday in Iraq and Jordan. These events demonstrate a scope of aggressive purpose which tiny Lebanon could not combat without further evidence of support. That is why Lebanon's request for troops from the United States was made. That is why we have responded to that request.

Some will ask, does the stationing of some United States troops in Lebanon involve any interference in the internal affairs of Lebanon? The clear answer is "no."

First of all, we have acted at the urgent plea of the Government of Lebanon, a Government which has been freely elected by the people only a little over a year ago. It is entitled, as are we, to join in measures of collective security for self-defense. Such action, the United Nations Charter recognizes, is an "inherent right."

Pattern of Conquest by Indirect Aggression

In the second place what we now see in the Middle East is the same pattern of conquest with which we became familiar during the period of 1945 to 1950. This involves taking over a nation by means of indirect aggression; that is, under the cover of a fomented civil strife the purpose is to put into domestic control those whose real loyalty is to the aggressor.

It was by such means that the Communists attempted to take over Greece in 1947. That effort was thwarted by the Truman Doctrine.

It was by such means that the Communists took over Czechoslovakia in 1948.

It was by such means that the Communists took over the mainland of China in 1949.

It was by such means that the Communists attempted to take over Korea and Indochina, beginning in 1950.

You will remember at the time of the Korean war that the Soviet Government claimed that this was merely a civil war, because the only attack was by north Koreans upon south Koreans. But all the world knew that the north Koreans were armed, equipped, and directed from without for the purpose of aggression.

This means of conquest was denounced by the United Nations General Assembly when it adopted in November 1950 its resolution entitled "Peace Through Deeds." ³ It thereby called upon every nation to refrain from "fomenting civil strife in the interest of a foreign power" and denounced such action as "the gravest of all crimes against peace and security throughout the world."

We had hoped that these threats to the peace and to the independence and integrity of small nations had come to an end. Unhappily, now they reappear. Lebanon was selected to become a victim.

Last year the Congress of the United States joined with the President to declare that "the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East." 4

I believe that the presence of the United States forces now being sent to Lebanon will have a stabilizing effect which will preserve the independence and integrity of Lebanon. It will also afford an increased measure of security to the thousands of Americans who reside in Lebanon.

We know that stability and well-being cannot be achieved purely by military measures. The economy of Lebanon has been gravely strained by civil strife. Foreign trade and tourist traffic have almost come to a standstill. The United States stands ready, under its mutual security program, to cooperate with the Government of Lebanon to find ways to restore its shattered economy. Thus we shall help to bring back to Lebanon a peace which is not merely the absence of fighting but the well-being of the people.

The Purpose of the United States

I am well aware of the fact that landing of United States troops in Lebanon could have some serious consequences. That is why this step was taken only after the most serious consideration and broad consultation. I have, however, come to the sober and clear conclusion that the action taken was essential to the welfare of the United States. It was required to support the principles of justice and international law upon which peace and a stable international order depend.

That, and that alone, is the purpose of the United States. We are not actuated by any hope of material gain or by any emotional hostility against any person or any government. Our dedication is to the principles of the United Nations Charter and to the preservation of the independence of every state. That is the basic pledge of the United Nations Charter.

Yet indirect aggression and violence are being promoted in the Near East in clear violation of the provisions of the United Nations Charter.

There can be no peace in the world unless there is fuller dedication to the basic principles of the United Nations Charter. If ever the United States fails to support these principles, the result would be to open the floodgates to direct and indirect aggression throughout the world.

In the 1930's the members of the League of Nations became indifferent to direct and indirect aggression in Europe, Asia, and Africa. The result

³ For text, see *ibid.*, Nov. 13, 1950, p. 767.

⁴ Ibid., Mar. 25, 1957, p. 480.

was to strengthen and stimulate aggressive forces that made World War II inevitable.

The United States is determined that that history shall not now be repeated. We are hopeful that the action which we are taking will both preserve the independence of Lebanon and check international violations which, if they succeeded, would endanger world peace.

We hope that this result will quickly be attained and that our forces can be promptly withdrawn. We must, however, be prepared to meet

the situation, whatever be the consequences. We can do so, confident that we strive for a world in which nations, be they great or be they small, can preserve their independence. We are striving for an ideal which is close to the heart of every American and for which in the past many Americans have laid down their lives.

To serve these ideals is also to serve the cause of peace, security, and well-being, not only for us but for all men everywhere.

The Lebanese Complaint in the Security Council

The Security Council met on July 15 to consider again the Lebanese complaint "in respect of a situation arising from the intervention of the United Arab Republic in the internal affairs of Lebanon, the continuance of which is likely to endanger the maintenance of international peace and security" (V.N. doc. 8/4007). Following is a series of statements made by U.S. Representative Henry Cabot Lodge during the debate July 15 to 21, together with the texts of U.S. and Japanese resolutions which were vetoed by the U.S.S.R.

STATEMENT OF JULY 15

U.S./U.N. press release 2956

The Council meets today to confront difficulties as serious as any in its history.

The territorial integrity of Lebanon is increasingly threatened by insurrection, stimulated and assisted from outside.

Plots against the Kingdom of Jordan, which have become evident over the past few months, are another sign of serious instability in the relations between nations in the Middle East.

And now comes the overthrow—in an exceptionally brutal and revolting manner—of the legally established Government of Iraq. I have just heard this morning, Mr. President, before coming over here, of the murder of our esteemed and popular colleague here in the United Nations from Iraq—Mr. Fadhil al-Jamali.² Only a few

weeks ago he was here with us. We heard his voice; we rejoiced in his humor; we were heartened by his fellowship. Now we learn that he was not only murdered but that his body was actually dragged through the streets of Baghdad. Decent people throughout the world, wherever they may be, will recoil at this monstrosity.

In all these circumstances, the President of Lebanon has asked, with the unanimous authorization of the Lebanese Government, for the help of friendly governments so as to preserve Lebanon's integrity and independence.

The United States has responded positively and affirmatively to this request in the light of the need for immediate action. And we wish the Security Council to be hereby officially advised of this fact.

In addition, the United States Government has under active consideration economic assistance to help Lebanon revive its economy.

Our purpose in coming to the assistance of Lebanon is perfectly clear. As President Eisenhower explained this morning, our forces are not there to engage in hostilities of any kind—much less to fight a war. Their presence is designed for the sole purpose of helping the Government of Lebanon at its request in its efforts to stabilize the situation, brought on by the threats from outside, until such time as the United Nations can take the steps necessary to protect the independence and political integrity of Lebanon. They will also afford security to the several thousand Americans who reside in that country. And that,

¹ For background, see Bulletin of July 14, 1958, p. 88.

² For a correction, see p. 198.

Mr. President, is the total scope and objective of the United States assistance.

Now I need scarcely say that we are the first to admit that the dispatch of United States forces to Lebanon is not an ideal way to solve present problems, and they will be withdrawn as soon as the United Nations can take over.

In fact, the United States Government hopes that the United Nations itself will soon be able to assume these responsibilities. We intend to consult with the Secretary-General and with other delegations urgently on a resolution to achieve these objections. Until then the presence of United States troops in Lebanon will be a constructive contribution to the objectives the Security Council had in mind when it passed the June 11 resolution dealing with this problem.³

Let me review the recent history of this situation.

Situation in Lebanon and Iraq

A little over a month ago the Government of Lebanon presented a complaint to the Security Council involving "a situation arising from the intervention of the United Arab Republic in the internal affairs of Lebanon, the continuance of which is likely to endanger the maintenance of international peace and security." At that time various members of the Council drew special attention to article 2 (4) of the charter, which enjoins all members to "refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state." This was one of the fundamental considerations behind the resolution which was adopted by the Council on June 11, which called for the urgent dispatch of an observation group to proceed to Lebanon so as to insure there was no illegal infiltration of personnel or supply of arms or other materiel across the Lebanese borders.

The United Nations Observation Group has thus far been able to achieve limited success. We hope that it will pursue its work in the most effective and energetic way possible. Our forces are being instructed to cooperate with it and to establish liaison immediately upon arrival. This United Nations group has helped to reduce interference from across the border.

We learn now, however, that with the outbreak

of the revolt in Iraq the infiltration of arms and personnel into Lebanon from the United Arab Republic in an effort to subvert the legally constituted Government has suddenly become much more alarming. This development, coupled with persistent efforts over the past months to subvert the Government of Jordan, must be a cause of grave concern to us all. They place in jeopardy both the independence of Lebanon and that of any Middle Eastern state which seeks to maintain its national integrity free from outside influence and pressures. It is too early, Mr. President, to tell what the outcome of the revolt in Iraq may be. But one thing is clear: The events in both Lebanon and Iraq present grave threats to the integrity of free and independent countries. They demonstrate a ruthlessness of aggressive purposes which tiny Lebanon cannot combat without support from friendly nations.

Observing the course of events in Lebanon and in Iraq, one is constrained to conclude that there are powers at work in the Middle East seeking, in total disregard for national sovereignty and independence, to substitute force or the threat of force for law. If these powers are left unchecked, free to pursue their lawless course, the people of the Middle East will have been denied the solemn guaranties written into the United Nations Charter and mankind's agelong quest for peace will have been checked and the world will have been plunged into anarchy.

Now we confront here a situation involving outside involvement in an internal revolt against the authorities of the legitimate Government of Lebanon. Under these conditions a request from the Government of Lebanon to another member of the United Nations to come to its assistance is entirely consistent with the provisions and purposes of the United Nations Charter. In this situation, therefore, we are proceeding in accordance with the traditional rules of international law, none of which in any way inhibit action of the character which the United States is undertaking in Lebanon. The United States is acting pursuant to what the United Nations Charter regards as an inherent right—the right of all nations to work together to preserve their independence. The Council should take note that United States forces went to Lebanon at the specific request of the duly constituted Government of Lebanon. Let me also emphasize again what I have said before, that these forces will remain

³ Bulletin of July 14, 1958, p. 90.

there only until the United Nations itself is able to assume the necessary responsibilities to insure the continued independence of Lebanon.

Now, Mr. President, there is one further fact which must be recognized. If the United Nations is to succeed in its efforts to maintain international peace and security, it should support the efforts of a legitimate and democratically elected government to protect itself from aggression from without, even if that aggression is indirect. The United Nations must be particularly alert in protecting the security of small states from interference by those whose resources and power are larger. This is a principle which has been supported here in this very hall in the past and which should be supported today regardless of who the offender may be.

Lebanon is a charter member of the United Nations and has loyally contributed to the work over the past decade. It would be unthinkable now to permit the lawfully constituted Government of Lebanon to fall prey to outside forces which seek to substitute a government which would serve their purposes in defiance of the principles of the charter.

There can be no hope for peace in the world unless the United Nations shows this dedication to the charter's basic principles. All nations, large and small alike, are entitled to have their political independence and territorial integrity respected and maintained. If we vacillate with regard to this proposition, we will open the flood-gates to direct and indirect aggression all over the world.

The overthrow of another state by subversion and the fomenting of internal strife is more difficult for the world to combat than is directed military aggression because the fomenting of internal strife is harder to see with your eyes.

But this is not the first time that the United Nations has faced such a problem.

The United Nations faced such a problem successfully in Greece in 1946 when Soviet-sponsored insurrection threatened to overwhelm the Greek Government.

The United Nations did so unsuccessfully in 1948 when the Communist coup was perpetrated in Czechoslovakia.

"Peace Through Deeds" Resolution of 1950

The United Nations sought to provide means for dealing with such aggressive developments in the future when in 1949 and in 1950 it adopted the "Essentials of Peace" and the "Peace Through Deeds" resolutions of the General Assembly. If the Council will forgive a personal note, I particularly recall the "Peace Through Deeds" resolution because I actively worked to obtain its adoption the first time that I was a member of the United States delegation to the United Nations in 1950. At that time I said: 4

The eight-power resolution not only reaffirms that whatever the weapons used, any aggression is the gravest of all crimes against peace and security in the world; it also freshens, modernizes, brings up to date, and makes more complete our concept of aggression by specifically including the latest form of aggression, to wit: fomenting civil strife.

Let me now quote some of the provisions of this resolution, which was adopted here in the General Assembly in 1950:5

Condemning the intervention of a State in the internal affairs of another State for the purpose of changing its legally established government by the threat or use of force.

- 1. Solemnly reafirms that, whatever the weapons used, any aggression, whether committed openly, or by fomenting civil strife in the interest of a foreign Power, or otherwise, is the gravest of all crimes against peace and security throughout the world;
- 2. Determines that for the realization of lasting peace and security it is indispensable:
- (1) That prompt united action be taken to meet aggression wherever it arises; . . .

This, I submit, applies very definitely to the situation which confronts us today.

Remember, Mr. President, that the Government of Lebanon was a cosponsor of this resolution and that the present Foreign Minister of Lebanon was its spokesman.

Remember that the first representative in the General Assembly to raise the issue of subversion and civil strife was the representative of Greece, which was just then overcoming the effects of Communist subversion.

Remember that the first language for a resolution was introduced on that occasion by the representative of Bolivia.

Remember, too, that the resolution in its final form was sponsored by France, Lebanon, Mexico, the Netherlands, the United Kingdom, the United States, Bolivia, and India.

Remember, finally, that the resolution condemn-

⁴ Ibid., Dec. 4, 1950, p. 904.

⁵ For full text, see *ibid.*, Nov. 13, 1950, p. 767.

ing the fomenting of civil strife in the interest of a foreign power—because that's what it did—was adopted by a vote of 50 to 5, the Soviet bloc being significantly against it.

Those are good things to think about today.

In solemnly affirming that aggression which foments civil strife in the interest of a foreign power was one of the gravest of all crimes against peace and security through the world, the General Assembly clearly had in mind just such a situation as that which we face. The integrity and independence of a nation is as precious when it is attacked from outside by subversion and erosion as when it is attacked in the field by military action.

Now, Mr. President, I conclude, and I do so by saying to my colleagues of the Security Council to remember this one more fact. The members of the League of Nations tolerated direct and indirect aggression in Europe, in Asia, and in Africa during the 1930's, and the tragic result was to strengthen and to stimulate aggressive forces in such a way that World War II became inevitable. The United States, for its part, is determined that history shall not now be repeated. We hope and believe that the action which we are taking will bring stability and that the United States forces now being sent into Lebanon at the request of its Government can be promptly withdrawn. We must, however, be prepared to meet the situation whatever the consequences may be. We strive for a world in which nations, great and small, can preserve their independence. This is an ideal which is close to the heart of every American, and we believe it is close to the hearts of all free men.

We believe that the action which the United States is now taking is consistent with the principles and purposes of the United Nations and will promote the cause of world peace.

FIRST STATEMENT OF JULY 16

U.S./U.N. press release 2957

The United States resolution before the Security Council 6 has three principal purposes.

First, it supports fully and seeks to strengthen the operations of the United Nations Observer Group in Lebanon. In fact, it specifically commends the work of the Observer Group and of the Secretary-General.

Secondly, it provides the basis for additional arrangements by the Secretary-General with a view to making contingents available as necessary as a further measure to protect the territorial integrity and political independence of Lebanon and to insure that there is no illegal infiltration of personnel or supply of arms or other materiel across the Lebanese borders.

Third, it would make it possible for the United States forces to withdraw promptly if the resolution were quickly carried out.

The introduction of this resolution is an at tempt in good faith by the United States to give effect to President Eisenhower's statement yesterday that "the United States will support in the United Nations measures which seem to be adequate to meet the new situation and which will enable the United States forces promptly to be withdrawn."

Two important practical aspects of this resolution merit particular mention.

The first relates to the United Nations Observer Group in Lebanon. Let me initially take this opportunity to pay tribute to the devotion and to the untiring efforts of the three members of the Observer Group, Sr. Galo Plaza of Ecuador, General Odd Bull of Norway, and Mr. R. Dayal of India, and to the teams of military observers from many countries. The United Nations is fortunate to have such individuals in its services. The United States continues to believe that the Observer Group has a most significant and helpful part to play in this situation. We agree fully with the statement of the Canadian representative that the action of the United States is complementary to the efforts of the United Nations. The Observer Group can be assured that the United States forces will cooperate with them in every way. To that end they have been instructed to establish and maintain liaison with them. We in no way underestimate the obstacles confronting the operations of this Observer Group. We will do everything possible to help them overcome these difficulties.

The resolution recognizes the continued importance of the Observer Group by requesting it to continue and to develop its activities pursuant to the Council's resolution of June 11. The Secretary-General, who is daily in direct contact with

⁶ U.N. doc. S/4050.

the three members of the Observer Group, is in the best position to determine and to work out in cooperation with the Government of Lebanon additional measures which would help to improve the operations of the Observer Group. We are confident he will continue to take every feasible step to this end.

Secretary-General Asked To Undertake Additional Measures

There is a second practical aspect of importance which we included in our resolution. This relates to additional measures which the Secretary-General is requested to undertake in order to protect the independence of Lebanon and to insure against illegal infiltrations. We recognize that the means available to the Observer Group, helpful though this group has been, is, and we hope will be, are insufficient to meet all aspects of the serious situation. This is particularly the case in light of the grave developments in Iraq and the recently discovered organized plot to overthrow the lawful Government of Jordan. These were prime considerations which prompted the United States response to the Lebanese request for assistance in maintaining its independence. These same considerations have prompted us in urging here today further additional measures by the United Nations in order to protect Lebanon's independence. This would make possible a prompt withdrawal of United States armed forces.

The heart of the resolution is in operative paragraph 3, which I would like to quote in its entirety:

Requests the Secretary-General immediately to consult the Government of Lebanon and other Member States as appropriate with a view to making such additional arrangements, including the contribution and use of contingents, as may be necessary to protect the territorial integrity and independence of Lebanon and to ensure that there is no illegal infiltration of personnel or supply of arms or other material across the Lebanese borders;

This provision gives the Secretary-General the necessary authority to work out in consultation with member states whatever arrangements the situation may require, including the use of military units if necessary.

There is no doubt in our minds, as the United States has testified by its actions, that these units are required. They are required quickly, and we urge the Secretary-General to take prompt action to bring them into being.

We hope that all members will cooperate with the Secretary-General and that it will be possible for him to arrange promptly for United Nations units to maintain internal stability in Lebanon and thereby make it unnecessary for United States forces to remain. We hope that, at such time as the Secretary-General is able to organize the appropriate units, the situation will be sufficiently stable in Lebanon to permit such units to earry out effectively the mission of the United Nations.

The task of these contingents will be, first, to "protect" the territorial integrity and independence of Lebanon and, secondly, to "ensure" that there is no infiltration of personnel, arms, or other material.

The United Nations forces would not be there to engage in hostilities or to fight a war. I made this statement about United States forces yesterday. It should be fully clear about United Nations forces today. They would not be there to fight unless they are attacked. But it should be fully clear also that they would have the authority to fire in self-defense in performance of their duties to "prevent" infiltration and "protect" the integrity of Lebanon.

Relevant U.N. Resolutions

There is still another important part of this resolution. The preamble, which provides the framework for the operative paragraphs, makes specific reference to relevant resolutions of the General Assembly. These are the "Essentials of Peace" resolution of December 1, 1949,7 and the "Peace Through Deeds" resolution of November 18, 1950, which were adopted by an overwhelming majority of the members of the United Nations. Mention of these resolutions is relevant because it reminds us that the United Nations must meet and deal effectively with the problem of indirect aggression. As I said yesterday, "The integrity and independence of a nation is as precious when it is attacked from outside by subversion and erosion as when it is attacked in the field by military action."

Yesterday the Soviet representative submitted

⁷ For text, see Bulletin of Nov. 28, 1949, p. 807.

a resolution of his own.⁸ It follows the traditional Soviet pattern of seeking to divert attention from the real issue, which is the continued independence of Lebanon. It makes no contribution to the achievement of a solution.

The United States is confident that members of the Council will recognize that, unless the practical arrangements envisaged in the United States resolution are made, we here will have shirked the grave responsibility we bear to insure the continued independence and integrity of Lebanon.

We hope that the Council will support the United States proposal. It would thereby, we think, take an important step toward stabilizing the situation in Lebanon and in the Middle East generally.

SECOND STATEMENT OF JULY 16

U.S./U.N. press release 2958

August 4, 1958

I have asked to be recognized to make a brief reply to the strictures which the Soviet representative has seen fit to make once again against the United States.

Comment is not required on most of his speech because it deals with the legal basis for our position and I have covered that already both yesterday and today.

We think that the United Nations is not helpless against aggression by internal subversion from without. And the Soviet representative thinks that it is. There is the difference, and there is not much use in taking much more time on that subject. We think that the resolution adopted by the General Assembly by a vote of 50 to 5 in 1950 makes perfectly clear that it is United Nations policy to regard aggression in any form as a bad thing—and that includes the fomenting of civil strife from without. Then the Soviet representative based most of his contention on editorials in news dispatches from the New York Times. Well, I greatly admire the New York Times as a newspaper. And I am sure they do not claim to be the official or the unofficial voice of the United States Government. I assure Mr. Sobolev once again because I know his fondness for newspaper clippings—which in the Soviet Union, of course, are the voice of the Government—I assure him that in this country newspaper clippings—they may be interesting; they may be stimulating; they may be attention-attracting—but they are not Government policy. He has lived here long enough that I should think he would know that.

Then Mr. Sobolev said that the United States was always against the United Nations, that we talked in a hypocritical manner about justice, peace, and freedom, but that we were actually against the United Nations when the time came. This interested me very much because it comes from the representative of a government which has been condemned by the United Nations three times in the past year for its actions in Hungary. It comes from the representative of a government which has violated the expressed wishes of the United Nations more than 30 times in the past 8 years, which has abused the United Nations veto power 83 times. And they accuse the United States of always being against the United Nations!

I declare now that the United States has always carried out every single decision of the United Nations, and the Soviet representative cannot find a single exception to that statement.

What we are proposing here now is a way of helping an organ of the United Nations, of giving it facilities and means which it does not possess. That is what we are trying to do.

Then the Soviet representative said that United States policy under President Eisenhower was like that of Adolf Hitler. I did not dream that up. I was listening carefully. I took notes during the consecutive translation, and that statement occurred both in the English and in the French translations. Well, I must defer to Mr. Sobolev in the knowledge of Adolf Hitler because his Government was once an ally of Adolf Hitler when Mr. Molotov made a pact with Mr. Ribbentrop of unfragrant memory. The United States has

191

^{*}The original Soviet draft resolution (U.N. doc. 8/4047, dated July 15) called upon the United States Government "to cease armed intervention in the domestic affairs of the Arab States and to remove its troops from the territory of Lebanon immediately." A revised draft (U.N. doc. S 4047/Rev. 1, dated July 17), calling upon the Governments of the United States and the United Kingdom "to cease armed intervention in the domestic affairs of the Arab States and to remove their troops from the territories of Lebanon and Jordan immediately," was defeated on July 17 by a vote of 1 (U.S.S.R.) to 8, with 2 abstentions (Japan, Sweden).

never been an ally of Adolf Hitler. So he knows more about that than I do.

Soviet Ambitions in Middle East

It is interesting, seeing that we are considering a subject in the Middle East, to remember that Soviet ambitions in the Middle East entered an active phase in 1939, when Nazi Germany and Communist Russia formed an alliance in this same Molotov-Ribbentrop Pact. In 1940 the Soviet Union sought to use this alliance to establish a sphere of influence in the Persian Gulf and the Black Sea regions. They even proposed to Hitler's Foreign Minister, Mr. Ribbentrop, that this area "be recognized as the center of the aspirations of the Soviet Union." These ambitions came to nothing, but the Soviet Union nevertheless pressed forward toward the same goals after World War II.

These things may have been forgotten, but I think they are pertinent: that the Soviet Union sought trusteeship over Libya; it demanded that Turkey cede to it the districts of Kars and Ardahan and that it grant the Soviet Union a naval base at the Dardanelles. Then the Soviet Union occupied northern Iran in opposition to international agreements, and it was the stand taken by the United Nations and the will of free countries which caused the Soviet forces to be withdrawn from that region. And the year 1955 was marked by renewed Soviet efforts, so much so that it seemed clear that the Soviet Union at that time had reached the decision to concentrate its attention on the Middle East and the free countries of Asia.

Reports of Intervention in Lebanon

Now, Mr. President, we do think that the situation in Lebanon is part of a much bigger picture. We do not seek to deny that, even though Mr. Sobolev cannot agree with us about that: We do have facts to back up what we think. Let me give you a few of the facts that we have.

For example, we have a first-hand report about a visit to the Lebanese Druze rebel leader Kamal Jumblatt in his headquarters in the Shuf region of southern Lebanon toward the end of June. Jumblatt told this visitor that he was accepting aid from the United Arab Republic. That is item No. 1.

A second visitor to Jumblatt at the beginning of July found Jumblatt openly acknowledging Syrian aid, including radio sending and receiving equipment. That is item No. 2.

In Homs, Syria, on or just before June 23, two Lebanese leaders were reliably reported to be using the Semiramis Hotel as a recruiting office for Syrians and Palestinians to join the opposition forces in Lebanon. That is item No. 3.

Toward the end of June a leading Syrian financier in Damascus told a pro-Western Syrian businessman that the United Arab Republic Government had spent over 60 million Syrian pounds to finance the opposition forces in Lebanon. That is item No. 4.

We have reports that on July 7 at 6 p. m. reconnaissance aircraft of the Lebanese Air Force saw a column of trucks with khaki covers northwest of the Lebanese town of Ba'albek. The next day, July 8, a Lebanese Air Force plane attacked a larger truck convoy, also with khaki canvas covers, which was deployed along the road north of the Tripoli airport, near the Syrian frontier. The Lebanese plane was then fired on by antiaircraft. The column of trucks was seen to turn back in the direction of Syria. That is item No. 5.

A reliable Syrian source in the town of Aleppo said on July 9 that Syrian paratroops were being encouraged to volunteer for service in Lebanon, that they were receiving training at Nebek near the Lebanese frontier, and that they were getting ready to infiltrate into Lebanon and to lead an attack on the Beirut Airport. That is item No.

Then we have recent reliable reports from more than one source that during the past 2 weeks there have been large convoy movements at night from Syria into Lebanon north of Tripoli on a regular basis and that these convoys have taken elaborate precautions to avoid detection by the United Nations Observation Group. That is item No. 7.

So we have reasons for thinking that this is a situation that does not just pertain to Lebanon alone and that it is part of a much bigger picture.

Now, Mr. President, before I yield the floor, let me just say that no country on earth is more friendly to Arab nationalism than is the United States, and the United States Government has shown this on many an occasion. But we think there is a difference between normal aspirations of nationalism, which are proper and which are healthy and which can even be idealistic and forward-looking, and the subversion of the independence of small countries on the other hand. Mr. Sobolev creates the impression that Arab nationalism and subversion of independence are all one thing. Well, they are not one thing. They are two entirely different things. We are in favor of nationalism, and we are against the subversion of the independence of small countries.

[In a further intervention Mr. Lodge said:]

The Soviet representative seeks to put words into my mouth which I did not use, and I cannot let him do it. I never said that this information was the basis for our actions concerning Lebanon. The basis for our actions concerning Lebanon was made perfectly clear yesterday at the time that I made my submission here to the Security Council. This information is material which we think is pertinent and helpful to the efforts of the Security Council in seeing the situation clearly. It was not the condition precedent to our action.

[In a further intervention Mr. Lodge said:]

Mr. President, let me simply say in response to the question asked by the representative of the Soviet Union as to why we did not make this information available to the United Nations that I have just done so here this morning. Now, the reason we did not do so sooner was because we did not wish to jeopardize the sources of that information. But now the situation to us justifies us in running this risk.

Let me say further that all of these reports are from official United States agencies and most of them are from sources in Syria, where the United Nations Observer Group, of course, has no facilities.

THIRD STATEMENT OF JULY 16

U.S./U.N. press release 2960

In the concluding paragraphs of the statement of the Soviet Government which the Soviet representative has just read there occurs the sentence that the Soviet Government asks us—the United States—to withdraw from Lebanon. Mr. President, we would like nothing better than to withdraw, as I have said many times, and the resolu-

tion which we have introduced and which is now pending offers a constructive way for us to do so.

FOURTH STATEMENT OF JULY 16

U.S./U.N. press release 2962

I simply wanted to say, with reference to the possibility which was suggested by the very distinguished representative of Sweden, that we hope that the United Nations Observer Group will not be suspended.

We think that, if ever there was a time when the United Nations should be active, it is at a time like this.

We hope that the Observer Group, which has done such wonderful work in the recent past, will continue and will develop its activities and will be given facilities for doing whatever it thinks should be done.

FIRST STATEMENT OF JULY 17

U.S./U.N. press release 2963

The United States Government supports the action of the Government of the United Kingdom in responding affirmatively to the urgent appeal of Jordan for assistance in the defense of Jordan's independence and integrity. The United States believes that it is a justified exercise of the inherent right of nations to call for assistance when threatened.

Mr. President, we have just circulated a revised text of our resolution 9 under the item of Lebanon. At the proper time, Mr. President, the United States will move for priority in the voting for this revised draft resolution. We hope for a vote today for reasons which I shall explain.

Let me first, however, review briefly the modifications which are contained in this revision. They represent suggestions made by several members of the Council to me informally.

In the second preambular paragraph the words "and the encouraging achievements reported by" are added. This language is inserted to reflect, among other things, the recent report of the Observer Group that it will in the future be able to function in areas previously closed to it.

The fifth preambular paragraph has undergone a technical revision to reflect more precisely the

August 4, 1958

⁹ U.N. doc. S/4050/Rev. 1.

language employed by the representative of Lebanon in his statement to the Council. Primarily for the word "appeal" to the Security Council, appearing in the first draft, the word "request" has been substituted as well as the phrase "further assistance from the Security Council to uphold its integrity and independence."

Then the operative paragraphs have been rearranged and a drafting change has been made in new operative paragraph 1 to change the word "and" to the word "to."

A drafting change has also been made in the new paragraph 2 deleting the words "such additional" and adding after the word "arrangements" the words "for additional measures."

We hope that this revised text, which takes into consideration the various suggestions which we have been given, will receive prompt and widespread support and that it will be adopted today.

Now, Mr. President, we attach the greatest importance to the continuance and enhancement of the activities of the United Nations Observer Group and to the United Nations' assuming the functions set forth in this resolution, and, frankly, we regret that our distinguished colleague, the representative of Sweden, should have suggested that the Observation Group might have to suspend its activities.10 To us the situation demands a prompt expansion and intensification of its activities and an increase of the United Nations role through the contingents mentioned in the resolution and not a suspension of the work of the United Nations. We think that, if ever there was a time for the United Nations not to withdraw but to step more actively into the field, this is it. When the patient is sick, Mr. President, it is not time for the doctor to leave.

To us, there is an unanswerable argument in the unanimous view of the United Nations Observation Group which has just reached the Council today in document A/4052, which says that further stations and permanent observation posts should be established close to the frontier and that the size of the group should be increased to a total of some 200, which is about double its present strength. Evidently, Mr. President, the

United Nations Observation Group does not think it should suspend its activities.

I am afraid that some misconceptions have crept into the debate with respect to the actual situation in Lebanon. I have heard it implied here that, because the Observation Group has not reported the occurrence of a certain event, the event for that reason has not happened.

Now, the fallacy of this contention becomes plain when you consider that the Observation Group has not made a final report; that the Observation Group undoubtedly possesses a great deal of information which it has not yet reported or had time to evaluate; that all we have had from the Observation Group so far have been interim reports and reports on the progress of their organizational work; and that it has not been able to penetrate thoroughly many of the more sensitive border areas nor to engage in any extensive night patrol.

The Government of Lebanon, which is, after all, primarily responsible for the security of the country and which the Observation Group has been sent to assist, clearly felt that the sharpened intensity of violent events in the Middle East threatened its security in a new way. Now, obviously, Mr. President, this is a type of evaluation which is beyond the scope of the observers.

I also cited yesterday some events which we know have happened which the United Nations Observation Group in Lebanon could not have reported because the group has not been outside of Lebanon.

Then we should remember this, Mr. President. It was only yesterday that we were told that the Observation Group had finally reached agreement to enable it to get to the frontiers of Lebanon all the way around. That agreement was only received on the day, may I point out, that our forces landed. And with great respect I submit that our efforts may have already been helpful to the work of the United Nations. The fact that the day before yesterday the Observation Group got permission to reach the frontiers of Lebanon is a cause for gratification, but, obvionsly, it does not mean that the work of the Observation Group is finished. On the contrary, it means that they are now in a much better position than they have ever been to go ahead. It marks the end of the beginning as far as the Observation Group is concerned and the begin-

¹⁰ On July 17 the Swedish representative presented a resolution (U.N. doc. S/4054) requesting the Secretary-General "to suspend the activities of the observers in Lebanon until further notice." The Swedish resolution was defeated on July 18 by a vote of 2 (Sweden, U.S.S.R.) to 9.

ning of a phase which can be of even greater usefulness. So I think we ought to be clear about that.

Legitimate Goals of Arab Nationalism

Now we go to another but related aspect. There are those who would fasten on Arab nationalism the label of violence, of assassination, of mob rule, and of subversion. The yearnings of Arab peoples for growing into national stature, for economic growth, for increasing social justice, for full dignity, for closer regional understanding and independence are all commendable.

The United States is not only not opposed to these developments: it believes in them. The United States believes in change and constructive evolution, a path which it has followed itself—so much so that some people have said that the United States is in a perpetual state of revolution—so much so that millions upon millions of Americans have come up in their economic status. We believe in this kind of thing for ourselves. We believe in it for others. We want to help those who have not governed themselves to become self-governing.

But, Mr. President, we think that these things should be done peacefully and without causing an international convulsion. That need not be the price of progress. We do not believe in assassination, violence, mob rule, or subversion. And we do not want to see this happen in one of the most democratic and politically free and independent countries in the Middle East—Lebanon.

The longings for progress and unity among the Arab peoples must not be thus subverted. The dynamic energies of Arab nationalism must not be abused to serve selfish ends. It must not depend for its advancement on assassination, mob rule, subversion, and infiltration.

Challenge to U.N.

I come to my conclusion, Mr. President, with a rather heavy heart because I am going to utter some words which are as serious and as fateful as any the United States has ever spoken in the 5½ years that I have represented the United States in the Security Council.

Sometimes we in the United Nations get too close to the details to see what is really happening. If ever there was a time when we must see the big picture, this is the time. If ever there was a time when we must not allow ourselves to be diverted by technical administrative considerations, this is the time.

What is really happening is plain for all to see if we but lift up our eyes. The overthrow of the lawful Government of Iraq, beginning with the assassination of the Crown Prince, and which was followed by the wave of assassinations throughout that unhappy country, is one dreadful fact. Then the attempt to subvert and overthrow Jordan, which we have just heard, is another. And, of course, the effort directed from without to subvert Lebanon is familiar to everyone.

One event which precipitated and increased the necessity of these sessions of the Security Council was the overthrow of the Government of Irag. This is because it made it clear that there is in the Middle East a common purpose to take over everywhere, all at once. Clearly there is a common purpose, masterminded from one source. You can read all about it in the Cairo newspapers or listen to the incessant radio broadcasts from Cairo to other Arab countries. In fact, a prominent Cairo newspaper is openly urging the assassination of President Chamoun. Furthermore, a United Arab Republic ambassador stated Monday that United States aid to the Government of Lebanon would mean the assassination of the President and Foreign Minister of Lebanon, who, he said, had been condemned to death by "Arab nationalists," with the sentence to be executed following Western intervention.

What kind of behavior is that?

But that is the kind of thing that we face today. The technical obstacles are not the main point. We face a great, rough, brutal fact—the fact of the fomenting of civil strife by assassins in plain clothes instead of by soldiers in uniform.

Make no mistake about it, my colleagues. History will hold us responsible. We cannot avoid an answer to the question: Is the United Nations to condone subversion in plain clothes controlled from outside a country?

If the United Nations cannot deal with indirect aggression, the United Nations will break up. This could surely be the rock on which this organization could founder.

Remember this too: If the United Nations does not meet this challenge, it will invite subversion all over the world. We cannot pass by on the other side of the street and salve our consciences by doing nothing. If United Nations inaction is interpreted as condoning indirect aggression, the imagination staggers at what the consequences of this could mean to world peace.

To no group of men has the opportunity ever been given to rise to a more fateful occasion. I hope and I believe that we will not fail humanity.

SECOND STATEMENT OF JULY 17

U.S./U.N. press release 2964

I shall not take the time of the Council to reply to the Soviet Union's latest attack on the United States which recently have been coming at the rate of one a day. It is an all too typical Soviet Communist offering and uses the stale, old-fashioned phrases which Soviet Communists have been using for generations.

For example, it refers to what it calls American monopolies. Yet it is an undisputed fact that monopoly has been against the law in the United States for more than fifty years and our antimonopoly laws are vigorously enforced by our Department of Justice.

Indeed, I might say parenthetically that the Soviet Union consists of monopolies of all kinds, dealing with all forms of activity. Indeed, it in itself is a huge monopoly,

The only interesting thing, Mr. President, about the Soviet speech is what it left out, which is the desire of the United States, expressed many times by me in the last few days, to withdraw from Lebanon as soon as the United Nations can take over. Now, that is the important thing and that is what he did not talk about.

Inclusion of this statement in Mr. Sobolev's speech would, I realize, have been bad propaganda from the Soviet viewpoint. But it is the truth nonetheless, and some day the Soviet Union will learn that the truth is the best propaganda, that in the end the truth is mighty and will prevail.

Now, Mr. President, I would like to make the formal motion that the United States resolution be given priority over the Soviet resolution at whatever time the voting may commence, whether today or tomorrow.

FIRST STATEMENT OF JULY 18

U.S./U.N. press release 2965

At the Council session last night, the representative of Iraq raised a question concerning the

withdrawal of United States forces from Lebanon in the event that this was desired by the Government of Lebanon.

I wish to respond to this question now.

Our assurances on the question raised by the representative of Iraq have been categorically clear in my previous statements on this point. The answer to Dr. Abbas is definitely in the affirmative. Forces of the United States now in Lebanon at the specific request of the lawfully constituted Government of Lebanon would not remain if their withdrawal is requested by that Government.

SECOND STATEMENT OF JULY 18

U.S./U.N. press release 2966

This morning the distinguished representative of the United Arab Republic charged the United States Government with aggressive intent in approaching his Government to discuss events in Lebanon. I would like to give the facts.

The United States has never been reluctant to engage in discussions with the United Arab Republic on problems of mutual concern. It should be news to no one that the United States carries on discussions of this character as a normal diplomatic practice with states in every area of the world.

Earlier this week our Ambassador in Cairo [Raymond A. Hare] was instructed to discuss the United States role in Lebanon with the appropriate authorities of the United Arab Republic. He made an oral approach which included the following points, all of which are identical with points which I have made repeatedly in the Security Council.

First, the United States, in extending assistance to Lebanon at its request, acted to help peserve the independence and integrity of Lebanon and to protect American citizens there. We had no other purposes whatsoever, and, as I have made plain here repeatedly, we desire to withdraw our forces as soon as circumstances permit.

Second, United States forces did not go to Lebanon to engage in hostilities. We were seeking, as we did in 1956, to preserve the integrity and independence of a state which was threatened from outside. In the circumstances we could not fail to respond to a plea for assistance from a small country, particularly in light of the brutal overthrow of the legal government of its neighbor Iraq.

Third, we hope to complete our military assistance to Lebanon in a way which will not adversely affect our relations with other states, including the United Arab Republic. At the same time, it must be recognized that any attack on United States forces by military units of the United Arab Republic or under United Arab Republic control could involve grave consequences seriously impairing our relations.

This is what our Ambassador told the authorities of the United Arab Republic. I am confident that the distinguished representative of the United Arab Republic was not correctly informed when he made his remark in the Security Council this morning.

THIRD STATEMENT OF JULY 18

U.S./U.N. press release 2967

The veto by the Soviet Union of the United States resolution is deeply regrettable. Once again the Security Council has been frustrated in its effort to mitigate the present threat to the peace of the world.

But I would like to emphasize that nine nations have voted for the resolution. This is an endorsement which shows the true opinion of the Council and which is bound to impress world opinion.

The United States believes that all available United Nations remedies must be exhausted. As the President of the United States stated on July 15:

The United States will support in the United Nations measures which seem to be adequate to meet the new situation and which will enable the United States forces promptly to be withdrawn from Lebanon.

Our purpose in this respect will not be thwarted merely by a veto in the Security Council by the Soviet Union. To this end I present on behalf of the United States Government the following resolution: 11

The Sccurity Council,

Having considered the "Complaint by Lebanon in respect of a situation arising from the intervention of the United Arab Republic in the internal affairs of Lebanon, the continuance of which is likely to endanger the maintenance of international peace and security".

Taking into account that the lack of unanimity of its permanent members at the 834th meeting of the Security Council has prevented it from exercising its primary responsibility for the maintenance of international peace and security.

Decides to call an emergency special session of the General Assembly, as provided in General Assembly resolution 377 (V), in order to make appropriate recommendations concerning the Lebanon complaint.

I would like to add that I have been advised that the representative of Japan—in fact, he has publicly stated that he intends to introduce another resolution in the Security Council. In the light of this, I am willing to withhold my motion in order to permit him to do so, as of course we must first do everything possible to take action in the Security Council.

STATEMENT OF JULY 19

U.S./U.N. press release 2968

In a press statement yesterday I inadvertently attributed to the representative of the United Arab Republic a statement that he had charged the United States with "aggressive intent." On reading the record I find that he did not make such a statement. He said: "The threat inherent in this position of the United States, supported by the United Kingdom, is fraught with grave consequences." I regret the error.

FIRST STATEMENT OF JULY 21

U.S./U.N. press release 2970

When the United States responded to the request for assistance from the Government of Lebanon, President Eisenhower made it clear that our forces had gone to Lebanon for the purpose of helping the Government stabilize the situation brought on by threats from the outside and to protect United States citizens in Lebanon. He made it clear that United States forces would remain in Lebanon only until such time as the United Nations could take the steps necessary to protect the political independence and integrity of Lebanon.

[&]quot;U.N. doc. S/4056. The U.S. delegation withheld this resolution from vote when it became known that the Japanese delegation was preparing to present a resolution requesting the Secretary-General "to make arrangements forthwith for such measures as he may consider necessary... and which will... serve to ensure the territorial integrity and political independence of Lebanon, so as to make possible the withdrawal of United States forces from Lebanon" (see p. 199).

In recent meetings the Security Council has sought to find ways in which the United Nations could take effective action in Lebanon which would allow the United States forces to be withdrawn. We all know why our efforts so far have been unsuccessful.

The resolution now before us.¹² introduced by the delegation of Japan, is a constructive proposal which would help the United Nations, acting through the Secretary-General, to carry out its responsibilities for the preservation of peace and security and to help protect the territorial integrity and independence of Lebanon.

We believe it represents the indispensable minimum action which the United Nations should take in Lebanon at this time.

It could lead to conditions which would make possible the withdrawal of United States forces from Lebanon.¹³

SECOND STATEMENT OF JULY 21

U.S./U.N. press release 2971

Recent press reports mentioned today in the Security Council indicate that Dr. Fadhil al-Jamali of Iraq was not killed during the period of violence in Baghdad on July 14 in which a number of Government leaders lost their lives. No one will be happier than I if it turns out that I was misinformed and that Dr. Jamali is actually not only alive but also in good health,

TEXT OF U.S. DRAFT RESOLUTION 14

U.N. doc. S/4050/Rev. 1

The Security Council,

Recalling its resolution of 11 June 1958 establishing an Observation Group "to insure that there is no illegal infiltration of personnel or supply of arms or other materiel across the Lebanese borders",

Commending the efforts of the Secretary-General and noting with satisfaction the progress made to date and the encouraging achievements reported by the United Nations Observation Group in Lebanon,

Recalling that the "Essentials of Peace" resolution of the General Assembly of 1 December 1949 calls upon States to "refrain from any threats or acts, direct or indirect, aimed at impairing the freedom, independence or integrity of any State, or at fomenting civil strife and subverting the will of the people in any State",

Recalling that the "Peace Through Deeds" resolution of the General Assembly of 18 November 1950 condemned "intervention of a State in the internal affairs of another State for the purpose of changing its legally established government by the threat or use of force" and solemnly reaffirms that "whatever weapons used, any aggression, whether committed openly, or by fomenting civil strife in the interest of a foreign Power, or otherwise, is the gravest of all crimes against peace and security throughout the world",

Noting the statement of the representative of Lebanon that infiltration of arms and personnel is continuing and the territorial integrity and independence of Lebanon are being threatened, that the Government of Lebanon in the exercise of the right of self-defence had temporarily requested direct assistance of friendly countries, and that the Government of Lebanon requested further assistance from the Security Council to uphold its integrity and independence.

Noting the statement of the representative of the United States regarding the provision of assistance by the United States to the Government of Lebanon at its request to help maintain the territorial and political independence of Lebanon.

Noting further the statement of the United States representative that United States forces will remain in Lebanon "only until the United Nations itself is able to assume the necessary responsibility to ensure the continued independence of Lebanon" or the danger is otherwise terminated,

- 1. Invites the United Nations Observation Group in Lebanon to continue to develop its activities pursuant to the Security Council resolution of 11 June 1958;
- 2. Requests the Secretary-General immediately to consult the Government of Lebanon and other Member States as appropriate with a view to making arrangements for additional measures, including the contribution and use of contingents, as may be necessary to protect the territorial integrity and independence of Lebanon and to ensure that there is no illegal infiltration of personnel or supply of arms or other material across the Lebanese borders;
- 3. Calls upon all Governments concerned to co-operate fully in the implementation of this resolution;
- 4. Calls for the immediate cessation of all illegal infiltration of personnel or supply of arms or other materiel across the Lebanese borders, as well as attacks upon the Government of Lebanon by government-controlled radio and other information media calculated to stimulate disorders:
- 5, Requests the Secretary-General to report to the Security Council as appropriate.

¹² U.N. doc. S/4055 Rev. 1.

¹³ On July 22 the Soviet Union vetoed the Japanese draft resolution. The Council then adjourned sine die.

¹⁴ Vetoed by the Soviet Union on July 18. The vote was 9 to 1 (U.S.S.R.) with 1 abstention (Sweden).

TEXT OF JAPANESE DRAFT RESOLUTION 15

U.N. doc. 8 '4055, Rev. 1

The Security Council,

Having further heard the charges of the representative of Lebanon concerning interference by the United Arab Republic in the internal affairs of Lebanon and the reply of the representative of the United Arab Republic,

- 1. Requests the Secretary-General to make arrangements forthwith for such measures, in addition to those envisaged by the resolution of 11 June 1958, as he may consider necessary in the light of the present circumstances, with a view to enabling the United Nations to fulfill the general purposes established in that resolution, and which will, in accordance with the Charter, serve to ensure the territorial integrity and political independence of Lebanon, so as to make possible the withdrawal of United States forces from Lebanon;
- 2. Requests the Secretary-General to report to the Security Council on the arrangements made;
- 3. Calls upon the Governments concerned to co-operate fully in the implementation of this resolution.

Planes Chartered To Evacuate Americans From Iraq

Press release 413 dated July 19

In view of the unsettled conditions in the Middle East and the disruption of some transportation facilities, particularly in Iraq, the Department of State has chartered four commercial aircraft to provide transportation for Americans who wish to leave Iraq now. These aircraft, which are now in Ankara, Turkey, have been made available to the U.S. Ambassador in Baghdad to provide transportation from Iraq for those Americans desiring to avail themselves of these facilities. The U.S. Ambassador has approached the local authorities in Baghdad and has received assurances that they will honor their promise to protect American lives and property. Assurances have also been given that those Americans wish-

ing to leave Iraq will be allowed to depart freely and that all necessary precautions shall be taken to assure safe departure.

State Department Advises Americans Against Travel in Middle East

Press release 402 dated July 15

In view of the implications of the situation in regard to personal safety and security of U.S. citizens now obtaining in the Middle East, the State Department is instructing its overseas posts and the Passport Office to alert American tourists and others who may be traveling in or through the Middle East of the situation there and to advise them against such travel, particularly to Lebanon and Iraq, unless imperative.

Letters of Credence

Chile

The newly appointed Ambassador of Chile, José Serrano Palma, presented his credentials to President Eisenhower on July 16. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 407.

Costa Rica

The newly appointed Ambassador of Costa Rica, Manuel G. Escalante Durán, presented his credentials to President Eisenhower on July 16. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 408.

Sweden

The newly appointed Ambassador of Sweden, Gunnar Valfrid Jarring, presented his credentials to President Eisenhower on July 17. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 410.

August 4, 1958

 $^{^{15}}$ Vetoed by the Soviet Union on July 22. The vote was 10 to 1 \pm U.S.S.R.).

President Eisenhower Replies to Soviet Letter on Expansion of Peaceful Trade Between U.S. and Soviet Union

Following is an exchange of correspondence between President Eisenhower and Nikita Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.

THE PRESIDENT TO PREMIER KHRUSHCHEV

White House press release dated July 14

JULY 14, 1958

Dear Mr. Chairman: I have read with interest your letter of June 2, 1958, proposing a considerable increase in U.S.-Soviet trade. As I made clear at the Geneva Conference of Heads of Government in 1955 and more recently in my letter of January 12, 1958 to Premier Bulganin, the United States favors the expansion of peaceful trade with the Soviet Union. Expanded trade between our countries could, under certain conditions, be of mutual benefit and serve to improve our relations in general. This would especially be true if it were accompanied by broad contacts between our peoples and a fuller exchange of information and ideas aimed at promoting mutual understanding as a basis for lasting peace.

Americans believe that the economic welfare of each contributes to the economic welfare of all. Therefore they cannot but welcome the emphasis you place in your letter on striving to expand the supply of consumers goods and housing available to the Soviet people. Our people have done a great deal in recent years to promote higher standards of living through expanded trade with many countries. They would like to trade with the Soviet Union as well, for the same purpose.

As you know, United States export and import trade is carried on by individual firms and not under governmental auspices. There is no need, therefore, to formalize relations between United States firms and Soviet trade organizations. Soviet trade organizations are free right now, without any need for special action by the United States Government, to develop a larger volume of trade with firms in this country. They may not be taking advantage of all available possibilities. In recent years, United States firms have bought far more from Soviet trade organizations than the latter have purchased from the United States. Furthermore, many of the more important Soviet trade items mentioned in your letter are accorded duty-free entry into the United States. Thus, the situation favors the expansion of Soviet purchases in this country. While the extension of long-term credits for Soviet purchases in the United States would raise complex legal and political questions, the normal commercial credit terms presently available to Soviet trade organizations permit the further expansion of trade between our two countries.

I am asking the Department of State to examine the specific proposals contained in your letter and to communicate further with your government.

Sincerely,

DWIGHT D. EISENHOWER

PREMIER KHRUSHCHEV TO THE PRESIDENT

Official translation

DEAR MR. PRESIDENT: I am addressing this letter to you in order to take up once again the question concerning which there has recently been a certain exchange of opinious between the Governments of our two countries and to which the Soviet Government attaches very

¹ Bulletin of Aug. 1, 1955, p. 171.

² Ibid., Jan. 27, 1958, p. 122.

great importance, namely, the question of the ways and means to improve and develop the relations between the Soviet Union and the United States of America. I must say that, in my opinion, there are great and so far unused opportunities to solve this problem.

The Soviet-American agreement on exchanges in cultural, technical, and educational fields that was signed recently was, in our opinion, a good practical step toward a rapprochement between our two countries. It is comforting to see that the conclusion of this agreement has met with the approval of large elements of the public both in the USSR and in the USA, as well as in other countries. I believe that it has met with such a reception primarily because peoples saw in this agreement concrete proof of the fact that Soviet-American relations can really improve, which makes it possible to hope also for a general improvement in the present unstable and troubled international situation.

If we want to justify these hopes of many millions of people, we should exert joint efforts both In finding a peaceful and concerted solution to urgent, common international problems, which, we are convinced, can be furthered by a meeting at the highest level of top government officials as proposed by the Soviet Union, and in further developing direct relations between the Soviet Union and the United States of America.

In considering possible further steps in this direction, the Soviet Government has come to the conclusion that the existing conditions permit taking important and farreaching steps to develop trade relations between the USSR and the United States which will be of great mutual benefit to both our countries and will further the cause of world peace.

There is no need to dwell on the usefulness of developing economic and, above all, trade relations between countries. The importance of such relations is obvious and it has been repeatedly emphasized by government officials both of the USSR and the USA. We remember, for instance, the words of the late Secretary of State of the United States, Cordell Hull, to the effect that "commerce and association may be the antidote for war." You, I believe, will agree that now, in particular, as perhaps never before, the world is in need of such an antidote.

Extensive trade between the Soviet Union and the United States of America is nothing new for our countries. After all, there have been periods when economic relations expanded very successfully to the advantage of both sides. However, during the past ten years trade between the Soviet Union and the United States of America not only failed to attain further development, but, on the contrary, decreased to a negligible level for reasons beyond the control of the USSR. The United States of America is now the only great power that has no trade agreement with the Soviet Union. Individual trade transactions concluded between American firms and Soviet organizations for foreign trade are very insignificant and in no way correspond to the economic potentials of the two countries.

It appears to us that the time has come for the Governments of the USSR and the USA to take concerted action for improving and widely developing Sovlet-American trade relations and that such action on the part of our Governments would satisfy the mutual interest of both States and would be favorably received by the peoples of our countries.

Motivated by the sincere desire to improve relations between our countries, the Government of the Soviet Union proposes to the Government of the United States of America that they jointly take resolute steps to expand trade between them.

The Soviet Union and the United States of America, as the two strongest powers from the economic standpoint, can engage in trade with each other on a large seale. During the last decade, the United States has considerably expanded its production facilities and it is natural for American business circles to be interested in a substantial expansion of foreign trade. At the same time, the Soviet Union, at its present high level of economic development, now has immeasurably greater possibilities and resources for trade with other countries, including the United States, than ever before.

I should like, Mr. President, to emphasize particularly that the Soviet Government, in advancing its proposal for the expansion of Soviet-American trade, by no means has in mind armaments or plant equipment for military production.

The Soviet Union is now engaged in carrying out a new and extensive program for a further increase in the production of consumer goods. Along with an increase in the output of products made of natural raw materials, this program provides for considerable expansion of the production of synthetic materials—fibers, plastics, leather, furs, and finished articles made thereof. This program pursues exclusively peaceful purposes and is directed toward further improving the prosperity of the population.

The Soviet Union has all the possibilities and its own resources for carrying out this program successfully. However, in order to expedite this program, the Government of the Soviet Union could make large-scale purchases of appropriate equipment and materials in the United States. Thus, the United States would have the opportunity to expand the volume of orders placed with its industrial enterprises and increase the employment of its population, while the USSR would be able to expedite still further its program for the production of consumer goods.

In the opinion of the Soviet Government, cooperation between our countries in the field of the production of synthetic materials and finished articles thereof could be developed along the following lines:

Purchases by the Soviet Union of industrial equipment in the United States, including complete equipment for plants and factories:

Conclusion of agreements with firms for obtaining licenses in individual cases, for inviting American specialists to work in Soviet enterprises as consultants on the production of certain synthetic materials, and for acquainting Soviet specialists with the production of these

³ For text, see *ibid.*, Feb. 17, 1958, p. 243.

materials and finished articles thereof. The Soviet Union, for its part, is prepared to make it possible for American specialists to learn about the achievements of the USSR in this field:

Organization of meetings of American and Soviet scientists and specialists for discussing problems of production of synthetic materials, organization of exhibits of samples of materials, products made from them, etc.;

Mutual participation of Soviet scientists in the work of scientific research institutions of the USA, and of American scientists in the work of scientific research institutions of the USSR, both with a view to exchanging experience and also to developing jointly new types of synthetic materials and technological processes.

At the same time the Soviet Union could propose a broad program for placing orders in the USA also for other types of equipment for the production of consumer goods, and for housing and public construction. Orders could be placed for refrigeration equipment; installations for air conditioning; equipment for the cellulose, paper, and wood-processing industries, the textile, leather-footwear, and food industries; television equipment; equipment for the manufacture of packing materials; packing, packaging, and automatic vending machines; pumps and compressors; machinery for the mining industry, for the manufacture of building materials and the mechanization of construction; hoisting, transporting, and other equipment.

In addition to this, big orders could be placed for a number of industrial materials and finished products, including orders for equipment for rolling ferrous metals, pipes for city gas lines, various chemical products, medical equipment, medicines, and certain consumer goods.

The Soviet Government assumes that purchases of equipment and various materials in the USA under the corresponding agreement on the part of both sides might amount to several billion dollars in the next few years.

Naturally, there arises the question of payments for such large purchases of American goods. The Soviet Union is able to pay for its purchases through the delivery of Soviet goods which are of interest to the USA, and among such goods we might mention manganese and chromium ores, ferrous alloys, platinum, palladium, asbestos, potassium salts, lumber, cellulose and paper products, certain chemical products, furs, and other goods. If American firms manifest an interest, the Soviet Union could also consider the question of developing the extraction of iron ore for delivery to the USA. At the same time the Soviet Union could propose to the USA a number of types of modern machinery and equipment which could be of interest to American firms.

We realize that the break in commercial relations between our two countries has created certain difficulties in renewing American purchases of Soviet goods in considerable dimensions within a short period of time. Apparently this would require a certain amount of time. On the other hand, American firms are interested in obtaining orders now. If this is the case, we are prepared in the next few years to purchase more American goods than we sell of ours.

In this connection, in particular, the question arises concerning possible payments in installments and making

available long-term credits on normal terms and conditions.

Of course, it is possible to begin the development of commerce on the basis of reciprocal deliveries, but because of the circumstances stated above, credit and payments in installments might create conditions for considerably larger immediate Soviet orders and purchases in the USA.

It is also obvious that the development of trade between the USSR and the USA will require the creation of the requisite contractual and legal basis. The question of creating such a basis, as well as that of implementing a program for purchases of American goods and deliveries of Soviet goods, and also payments for them, could, provided the Government of the USA consents, be subject to intergovernmental negotiation. The reaching of an agreement on these problems would create favorable conditions for extensive trade operations between the American and Soviet organizations concerned.

We also believe that the successful development of Soviet-American trade would be an effective contribution to the general revival of international trade. This would be a good example for the normalization and expansion of economic ties of other countries. From such a course of events everyone would gain, including the USA, which might receive big and profitable orders not only from the Soviet Union but also from many other countries.

Such, Mr. President, are the considerations of the Soviet Government concerning the possibilities of developing trade between the USA and the Soviet Union. We hope that the Government of the USA will consider with due attention the proposals set forth in this letter. A positive solution of the question of Soviet-American trade would also be an important step toward a rapprochement between our two countries.

With sincere respect,

N. Khrushenev, Chairman of the Council of Ministers of the Union of SSR

June 2, 1958

His Excellency
DWIGHT D. EISENHOWER,
President of the United States of America,
Washington, D. C.

U.S. Protests Soviet Attacks on Unarmed Transport Plane

U.S. Note 1

Press release 399 dated July 11

The Department of State acknowledges the receipt of note No. 38/OSA of the Soviet Govern-

¹ Handed to Soviet Ambassador Mikhail A. Menshikov at Washington on July 11 by Deputy Under Secretary Murphy.

ment handed to Ambassador Thompson on July 4, 1958 concerning the United States C-118 transport aircraft which was shot down in Soviet territory on June 27, 1958.²

The Soviet Government has charged that the violation of the Soviet frontier by the United States transport was intentional and of premeditated character. The United States emphatically and categorically denies that an intentional, premeditated violation occurred. To suggest that a slow, four-engine, propellor-type, unarmed aireraft would attempt to violate a heavily-defended foreign area is preposterous.

The facts already determined by investigation are these:

An unarmed C-118 transport-type aircraft, while on a routine flight on the established commercial air route to Tehran inadvertently crossed the Soviet frontier near Yerevan owing to circumstances beyond its control. Following interception by Soviet fighter aircraft which fired a burst off the wing of the United States transport, the American aircraft lowered its landing gear, indicating innocent intent. In spite of this action, the Soviet fighters shot directly at the transport setting it afire. After five of the crew had parachuted from the transport, the four remaining crew members, whose exit was prevented by fire, endeavored to land the transport. The Soviet fighters made no attempt to point out a safe landing area to the burning aircraft. While the C-118 was on its final approach to an emergency landing, the Soviet fighters made another firing run on the crippled transport. Certain members of the crew were brutally mistreated by the populace upon landing.

Although the American airmen were held in Soviet custody for ten days, and despite the request for detailed information submitted to the Soviet authorities by the American Embassy in Moscow, the full circumstances surrounding the incident have never been communicated by the Soviet Government to the United States Government nor were American authorities given access to members of the crew.

The United States Government protests the attacks on the unarmed transport.

The United States Government protests the failure of the Soviet Government to inform immediately United States authorities of all pertinent information concerning the incident or to permit United States representatives access to the crew members involved.

The United States Government expects that those guilty of the attacks on the plane will be punished in a degree commensurate with their offense.

Pending the completion of a full investigation of this incident, the United States Government reserves its rights to full compensation to the United States and its nationals for the injuries suffered.

Department of State,
Washington, D.C., July 11, 1958.

Soviet Note 3

Note No. 38/OSA Official translation

In connection with the aide memoire of the Government of the USA dated June 30, 1958, the Government of the USSR considers it necessary to state the following:

The Soviet Government affirms its note of June 28 of this year in which are set forth indisputable facts of the violation on June 27 of this year by an American military plane of the state frontier of the USSR south of the city of Yerevan. The premeditated character of this violation of the Soviet state frontier by this military plane of the USA is evidenced, in particular, by the fact that the violator plane did not obey the demand of the Soviet fighters to land at the nearest airdrome but began to go away in the direction of the frontier of the USSR.

The Government of the USSR takes note of the regret expressed in the aide memoire of the Government of the USA in connection with this violation by an American military airplane of the state frontier of the USSR and expects that urgent and effective measures will be taken by the Government of the USA to prevent similar violations in the future.

Moscow, July 4

² For background, see Bulletin of July 28, 1958, p. 146.

³ Handed to American Ambassador Llewellyn E. Thompson at Moscow on July 4 by Soviet First Deputy Minister of Foreign Affairs V. V. Kuznetsov.

President Eisenhower's Visit to Canada

President Eisenhower and Secretary Dulles made an informal visit to Canada July 8–11. Following is the text of an address made by the President before a joint session of the Canadian Houses of Parliament on July 9, together with two statements on defense released at Ottawa by Mr. Eisenhower and Prime Minister John Diefenbaker at the conclusion of their talks and a joint statement on export policies issued following a meeting between Secretary Dulles and the Canadian Secretary of State for External Affairs, Sydney Smith.

ADDRESS BY PRESIDENT EISENHOWER, JULY 9

White House press release dated July 9

Mr. Speaker of the Senate, Mr. Speaker of the House, Mr. Prime Minister, Members of the Canadian Houses of Parliament, distinguished guests and friends:

As I begin, may I be permitted to speak a few words in my halting French to my French friends of Canada? The Prime Minister did this with great courage. I assure you I do it in abject fear.

Ici, au Canada, vous avez démonstré que les rapports entre les peuples libres ne sont pas affaiblis par des différences de langue et de façon de parler. Il doit en être ainsi pour toutes les nations du monde libre. Le fait que nous nous exprimons en des langues et des accents différents ne doit pas affaiblir notre lutte pour une paix juste et durable. Une tradition très grande et très riche s'est établie dans tout le Canada au service de cette tâche si noble. La consécration de votre pays dans ce but a été solide et constante. Vous avez donné un exemple à tous les hommes libres.

[Here, in Canada, you have demonstrated that differences in speech and manners of expression

need not impair communications among a free people. So it must be among all nations of the free world. Though we may speak in different tongues and accents, that fact does not weaken our determination to work for a just and lasting peace. All of Canada has a great and rich tradition in the service of this high purpose. Her dedication to it has been stanch and persevering. Her example encourages free men everywhere.]

Mr. Prime Minister, I want you to know of my deep personal appreciation of the warmth of the welcome you have extended to me and of the generosity of the remarks that you have just delivered concerning me. Along that same line, I should like to express my very great appreciation of the warmth of the welcome that Mrs. Eisenhower and I have experienced throughout the city, along its streets, and in every meeting in which we have a part. We are truly grateful.

This is my fourth visit to your beautiful capital. I recall well when your gracious Queen came to Washington from Ottawa we spoke together of the beauty of this city and of the greatness of Canada.

It is good to return—to see old friends and to make new ones.

I came here first in 1946 to congratulate the Canadian people on the brilliant role played by the Canadian forces that you placed under my command in the World War which had then recently ended in victory.

My next visit was made as Commander of NATO forces in Europe. In 1953 I returned as President and talked in this House of some aspects of the relationship between our two countries.¹

I then spoke of the Saint Lawrence Seaway in prospective terms. Today it is near completion, and next year it will be open. This is truly a great joint accomplishment. It will open up im-

¹ Bulletin of Nov. 30, 1953, p. 735.

portant regions of both Canada and the United States to ocean traffic. It will ever stand as a monument to what can be achieved by the common effort of two sovereign nations.

On that same occasion I spoke of the need to devise ways to protect our North America from any surprise attack. Since then we have made great strides. The Distant Early Warning (DEW) Line has been built and placed in operation. In the process of its construction I am sure much has been learned which will contribute to the more rapid development of the northern reaches of Canada and of our new State, Alaska.

Last month an agreement was concluded between our two Governments to establish a combined air defense headquarters for this continent.2 We have also-both of us-striven, as we will continue to strive, for the Soviet Union's agreement to a system of inspection to protect against surprise attack through the Arctie. Recent Soviet communications have strengthened the hope that they will come to see that by such a system any basis for their professed fears of an attack across the Pole will be removed. For Canada and for the United States such a system in operation would add measurably to our security against a sudden attack. Possibly it might also pave the way for still further measures of arms control and permit some reduction of the burden and danger of modern armaments.

Both of these developments, the Seaway—a broadened, deepened road for peaceful commerce—and the strengthening of our common defense of this continent strikingly illustrate two things.

The first is that change is the law of life and of relations between nations. When two great peoples such as ours, energetic and optimistic, live side by side in all the diversity that freedom offers, change is rapid and brings in its wake problems, sometimes frictions.

The second lesson that I see in these common achievements in diverse fields is that by mutual respect, understanding, and with good will we can find acceptable solutions to any problems which exist or may arise between us.

It is important to remember this. Such differences as are from time to time expressed never affect the similarity of purpose which binds our two countries together.

Of course, each of us possesses a distinctive national character and history. You won your independence by evolution, the United States by revolution. Our forms of government—though both cast in the democratic pattern—are greatly different. Indeed, sometimes it appears that many of our misunderstandings spring from an imperfect knowledge on the part of both of us of the dissimilarities in our forms of government.

And yet, despite these dissimilarities in form, our two Governments are developing and are increasingly using effective ways to consult and act together. This we do to meet the problems that confront us in our relations with each other and in the relations of both with all other nations of the world.

Similarity in Basic Beliefs

We share the basic belief that only under free institutions, with government the servant and not the master, can the individual secure his life, his liberty, and the pursuit of happiness. We are both determined to frame and follow policies which safeguard the lives and homes of our people, their peace of mind, their material well-being, and, above all things, their ideals. True to these ideals, both of our countries, for example, are determined that the great decisions of peace and war will remain always under civilian control.

Moreover, we both recognize a design of aggressive Communist imperialism which threatens every free nation. Both of us face a military threat and political attack. Our system of free enterprise is challenged throughout the world by a state-directed, state-controlled economic system. Indeed, my friends, this could well be the area in which the competition will be most bitter and most decisive between the free world and Communist imperialism. We must never allow ourselves to become so preoccupied with any differences between our two nations that we lose sight of the transcendent importance of free-world cooperation in the winning of the global struggle.

Now, acting in accordance with our common dedication, the two of us, with others, have drawn together in collective-security arrangements. The most notable of these is the North Atlantic Treaty Organization, in which both Canada and the United States are equal partners. We are both determined to maintain what George Washington described as "a respectable military posture." We

² Ibid., June 9, 1958, p. 979.

are equally determined to maintain our institutions in good repair and to insure that our own economies function well.

Thus we seek not only to meet the expanding needs of our people but also to set an example of free men's accomplishments which will encourage and attract those less fortunate. And, finally, we are agreed that we shall never cease striving for a just and lasting peace to be achieved by negotiation with those who challenge us. We overlook no opportunity to settle the issues which divide the world and under safeguarded conditions to reduce the burden of armaments.

U. S.-Canadian Problems

Now, against this background of similarity in basic factors and policy, let me now point to some of the matters which it seems to me are troublesome between us. Among some examples are the surplus-wheat disposal policies of the United States, the imbalance in our mutual trade, certain aspects of United States private investment in Canada, and Canadian fears of a trend in the United States away from forward-looking policies in the field of trade.

I am sure you agree that we should talk frankly to each other. Frankness, in good spirit, is a measure of friendship. It should be the practice, I believe, on both sides so to speak, when either feels that important interests are adversely affected by actions contemplated or taken by the other. Happily, these instances are rare. Now, in mentioning today specific problems on which we do not see eye to eye, I am doing so as an American, expressing an American viewpoint. I can assure you that your Prime Minister, in discussing these problems with my associates and me—most loyally and eloquently, I might add—expresses the viewpoint of Canada.

It is my conviction, which I believe he fully concurs in, that for all our present problems and all our future ones we will find acceptable solutions. It will take understanding, common sense, and a willingness to give and take on both our parts. These qualities we have always found in our dealings with Canada. I hope that you have not found them lacking in us.

First, then, in some detail, I would like to comment briefly on our surplus-wheat disposal policies. I think that no one can quarrel with our purpose though some of our methods may seem

unorthodox by traditional standards. Simply stated, our wheat disposal program has three aspects.

In times of local famine or disaster we give wheat away. We have also bartered it for strategic materials. Finally, we sell wheat for local currency to countries which cannot afford to purchase it commercially. In these cases our policy is to lend back to the government in question most of the proceeds for local economic development. Our intent is not to damage normal commercial markets, and in this I think we have been generally successful.

I know that in the past there was criticism of certain aspects of these programs and particularly of our barter arrangements. I believe that the basis of these objections has been largely removed. Increasingly close consultation between officials of our two Governments has ironed out many misunderstandings respecting our surplus disposals. Your Government knows in detail what we plan. I assure you that it is our desire and intention to keep the doors of consultation always and fully open. There must never be a final word between friends.

In several respects, despite inconvenience and even occasional damage in the past, Canada stands to benefit from our moving some surplus agricultural commodities into consumption overseas. First and most evident of all, many hungry people around the world have had food which they otherwise would not have had. Secondly, had these products remained in dead storage, they would have had a depressing influence on the world market and on world prices. Finally, the funds which we have been enabled to make available to recipient countries should in the long run help to raise standards of living, which in turn will create enlarged markets for all of us.

I come next to the question of the imbalance of trade between our two countries. You buy more from the United States than you sell to us. This fact is of concern to many thoughtful Canadians. There are a few basic points which should be noted in this connection.

First of all, the United States and Canada are not state traders. All the products of industry manufactured in the United States and sold to customers abroad are sold through the enterprise of the private seller. These articles come to you here in Canada only because of the desire of the

individual Canadian consumer to buy a particular piece of merchandise. The United States Government does not place goods in Canada as part of a state-directed program. This aspect of our trade with each other is the natural consequence of two private-enterprise economies working side by side and trading with each other.

Then we should also renaember that the free world represents a multilateral trading community. To try to balance our books once a month or once a year with every nation with which we trade would stifle rather than expand trade. I assume that Canada is as interested as we are in the expansion of world trade rather than in its artificial redirection. Both our peoples want to buy and sell in a climate of economic vigor and expansion. An imbalance in trade with one country, in such a climate, is usually balanced or largely offset by the state of the accounts with other trading nations.

This is the case with Canadian trade. Your export deficit to the United States is offset by export surpluses to other countries and by the flow of investments to Canada. The promotion of healthy multilateral trade, as opposed to artificial bilateral balancing, is an important objective of the International Monetary Fund and the General Agreement on Taritis and Trade, to which both Canada and the United States belong.

Other Side of the Trade Equation

For a moment I want to address myself as well to the other side of the trade equation, namely, your exports to the United States. Here you can rightly say that, through quotas and tariffs, our governmental policies can either expand or restrict your opportunities to sell to us. The same is, of course, true of actions taken by your Government which can affect the volume of our exports to Canada.

Neither of our countries is a "free trader" in the classical economic sense. Each of us feels a responsibility to provide some protection to particular sectors of our economies which may be in distress or are for other reasons deserving of governmental assistance. We have taken some actions of this sort. So has Canada.

Oil imports into our country contribute a case in point. We believe that to insure adequate supplies of oil in an emergency it is necessary that exploration to develop oil reserves be carried forward with vigor. This means a healthy oil industry to the continent. A healthy domestic oilproducing industry is vital to our national security. And we recognize that our security and yours are inseparable. We have been keenly sensitive to that fact in considering the nature of the voluntary restrictions on oil imports that have been put into effect by oil companies in the United States and have minimized their impact on your economy.

Our restrictive action with respect to oil is not in any sense reflective of a change in the fundamental trade policy of the United States. Such actions must be viewed in perspective.

For example, since the so-called "escape clause" was incorporated in our trade agreements legislation in 1954, there have come from industry in the United States a number of requests for the imposition of quotas or higher tariffs. In about a dozen cases Presidential approval for some relief has been granted. In only one of these cases was Canada directly affected as an exporter. We have always conscientiously sought to take account of your interests as well as our own in seeking the best remedy to these intricate problems. I believe that a study of the record will bear out the truth of this statement.

Next, the flow of investment funds from the United States into Canada has led to expressions of concern on your part. These funds have been attracted to your country by the business opportunities Canada has offered. Though they may raise questions in specific cases respecting control of an industry by American citizens, these industries are, of course, subject to Canadian law. Moreover, these investments have helped you to develop your resources and to expand your industrial plant at a far faster rate than could have been possible had you relied wholly on your own savings. They have thereby helped to provide employment, tax revenues, and other direct benefits. These funds have also helped Canada to finance with ease its recent surplus of imports from the United States, a fact that is testified to by the premium of the Canadian dollar over the United States dollar.

I am confident that, if there are some defects in this investment process, ways will be found to correct them, because this is the interest of both our countries.

One final word on the foreign trade policy of the United States. In 1934 the United States took an historic decision to embark on a positive policy of fostering trade with the launching of the reciprocal trade agreements program. This policy we continue to support and to practice. The Government of the United States, after a public searching of soul at times of renewal of the Trade Agreements Act, has consistently reaffirmed this policy. Have no fear that the United States will abandon a policy so well established. The problems I have been discussing concern our economic lives. Our points of economic contact are varied and numerous, as they of necessity must be under our chosen system of private enterprise.

Our Governments have a responsibility to help compose difficulties, but we must not forget that thousands of individual citizens of Canada and the United States must themselves find in their diversified activities the answers to many of these problems.

Finally, there is no cause to be surprised or disturbed to discover that occasionally differences arise between us. The distinguishing character of the peoples of the free world lies in the fact that differences between them can develop, can be expressed, and then amicably resolved.

We in the United States have no more desire than you have to seek in our relations with others the silent, sullen unity that elsewhere has been purchased or imposed. The hallmark of freedom is the right to differ as well as the right to agree.

I have spoken to you in the knowledge that through you I address a nation strong in the tradition of freedom and vigilant in its defense. You and we are alike convinced, by our history, by our religious faith, and our common heritage of freedom, that economic well-being and political liberty both depend upon the efforts of individuals and on their willingness to accept the responsibilities of freedom. Today I assure you once more of the pride and of the gratification that we of the United States feel in our long and friendly association with you, our sturdy northern neighbor.

We stand together at a pivotal point in history. All that we Canadians and Americans, and those who went before us, have built, all that we believe in, is challenged as it has never been challenged before. The new horizons of competition range from the polar areas and extend to the infinity of outer space.

It is for us—all of us—to bring to the challenge a response worthy of ourselves and our two

nations. As we do, we shall know the satisfaction of having built, in friendship, a safer and ampler home here on the earth for this generation and those that shall come after us.

I thank you for your kind attention.

STATEMENT ON SAFEGUARDS AGAINST SUR-PRISE ATTACK, JULY 9

The President and the Prime Minister discussed today questions concerning disarmament and, in particular, proposals for safeguards against surprise attack. This discussion reaffirmed the closeness of the views of the two Governments on a suitable approach to these questions. Particularly they emphasized the great importance which both countries attach to a system of control which would cover the Arctic and related areas.

The President and the Prime Minister exchanged views on the recent letter from Chairman Khrushchev to President Eisenhower with reference to expert examination of possible systems of supervision and control to prevent surprise attack, Although they recognized that certain aspects of Mr. Khrushchev's recent letter were unacceptable, they were nevertheless encouraged by certain elements of responsiveness to the earlier Western proposals on this matter. Mr. Diefenbaker indicated Canada's willingness to make a constructive contribution to study of control methods, and it was agreed that the experts of both countries would work together, and in cooperation with those of other free-world countries concerned, in study of this problem.

STATEMENT ON JOINT DEFENSE COMMITTEE, JULY 10

The Prime Minister and the President have taken note of the intimate cooperation which exists between their two Governments in matters relating to continental defense. In furtherance of the policy of both Governments that such matters shall be subject to civilian decision and guidance, they have agreed that there will be established a Cabinet Committee to be known as the Canada–United States Committee on Joint Defense. This Committee will consist, for Canada, of the Secretary of State for External Affairs, the Minister of National Defense, and the Minister of Finance; and for the United States, of the Secretary of State, the Secretary of Defense, and the

Secretary of the Treasury. Other ministers may participate on an *ad hoe* basis as requested by the Committee.

The Committee will consult on matters bearing upon the common defense of the North American continent which lies within the North Atlantic Treaty area. It will, in a supervisory capacity, supplement and not supplant existing joint boards and committees.

The Committee will normally meet alternately in Washington and Ottawa. The chairman of each meeting will be the Secretary of State of the country in whose capital the meeting is held.

STATEMENT ON EXPORT POLICIES, JULY 9

The Canadian and United States Governments have given consideration to situations where the export policies and laws of the two countries may not be in complete harmony. It has been agreed that in these cases there will be full consultations between the two Governments with a view to finding through appropriate procedures satisfactory solutions to concrete problems as they arise.

President Ponce Reaffirms U. S.-Ecuadoran Friendship

The White House on June 28 made public the text of the following letter from the President of Ecuador to the President of the United States.

May 13, 1958

EXCELLENCY: Permit me to express my thanks for the cordial and significant letter of April 22, which was delivered to me personally by His Excellency Richard Nixon, Vice President of the United States of America, during the gracious visit that he has just paid Ecuador.

I charged Mr. Nixon with conveying to Your Excellency my compliments and the assurances of my friendship and consideration, which I now confirm with best wishes for the increasing greatness of the United States of America and the happiness of its citizens. May God bless your Republic in its fight to have the [four] freedoms prevail throughout the world and to preserve the dignity and spiritual elevation of the human race.

Indeed, I think that, as Your Excellency

stresses, my country enjoys the good fortune of freedom in order, of political stability, and of peace. However, like nearly all the South American States, it needs to develop its economy and to raise the economic and cultural level of the masses, in order to stifle dangerous Communist temptations and achieve a way of life that is ever more democratic and more firmly institutional. The effort my Government has made to stabilize and improve the national currency and to assure to Ecuador a balanced economic development, thus eliminating the risks of inflation, is an exceptional case, even though to me it implies foregoing more showy modernization projects.

Ecuador is preparing to receive worthily the Representatives of the American States at the Eleventh Inter-American Conference, which, as Your Excellency says, will strengthen the most notable and efficient regional system in the world, established to attain peace, justice, and welfare. It will spare no effort in promoting America's advancement and is very grateful for Your Excellency's concern and for the incentive to make the Eleventh Inter-American Conference a complete success

I hope that Mr. Nixon enjoyed his stay in Quito. He had occasion to observe the esteem of the people of Ecuador and to receive sincere tribute as an illustrious guest and distinguished executive. He will long be remembered among us, and I can assure Your Excellency that his mission attained the desired goal of friendship and closer ties.

I wish Your Excellency all manner of good fortune and success and have the honor to repeat that I am Your Great and Good Friend.

Camilo Ponce Enriquez

Constitutional President of Eeuador

U.S. and Argentina Reaffirm Support for Concept of Joint Consultations

Following is an exchange of correspondence between President Eisenhower and President Arturo Frondizi of Argentina.

White House press release dated July 12

President Eisenhower to President Frondizi

JULY 1, 1958

Dear Mr. President: I was glad to receive from Ambassador Barros Hurtado your letter of

¹ Not printed.

June fourth, which I have read with great interest. I was particularly gratified, Mr. President, to note the firm desire and determination of your Government to cooperate in furthering the development of our mutual relations. I assure you that my Government reciprocates this desire and determination in every way.

Your Excellency's reference to economic problems is pertinent indeed, and I readily recognize and share the deep and common concern which arises from economic maladjustments and difficulties. The necessity for each nation in this hemisphere to realize more rapid economic growth goes without saying. The desirability of joint consultation and discussions on economic factors and problems which are of mutual concern and impact is equally clear.

I believe that in the present world situation it is more essential than ever for us to reaffirm the Pan-American tradition of cooperation and consultation. In the months to come there will be, I am sure, ample opportunities for an exchange of views among all the American Republics to this end. I am therefore highly gratified to receive Your Excellency's valued support for the concept of joint discussions. I assure you that my Government will always stand ready to discuss with the other American Republics any problems of mutual concern whether in the economic or other fields.

With the sincere hope for an increasingly warm and fruitful relationship between our two peoples and Governments, I extend to you, Mr. President, the assurances of my highest consideration and my personal best wishes for your health and wellbeing.

Sincerely,

DWIGHT D. EISENHOWER

His Excellency
Senor Dr. Arturo Frondizi,
President of the Argentine Nation,
Buenos Aires.

President Frondizi to President Eisenhower

Buenos Aires, June 4, 1958

DEAR MR. PRESIDENT: I wish to avail myself of the occasion of the presentation of credentials by Dr. Cesar Barros Hurtado as Ambassador to your Government to transmit, through him to you, Mr. President, a friendly personal message and a sincere expression of my Government's carnest desire for cooperation toward achieving the fullest possible development of our relations. In his dual capacity as Envoy Plenipotentiary and friend, Dr. Barros Hurtado will, I am certain, faithfully and completely interpret that firm desire.

Legal order having been restored, the Argentine Government that was inaugurated on May first now proposes to apply its best efforts toward national development in all fields.

The great benefit that can be derived from this development by all those cooperating therein is of genuine importance. My Government would take a favorable view of such cooperation, which is ensured by the present level of development of the resources and wealth of my country and by the full effectiveness of all legal guarantees.

Many of the ills that afflict our world today have their origin in economic dislocations and maladjustments. And, in the case of Argentina, as well as the other Latin American nations, as I had the opportunity to state in the addresses I made recently during my visit to some of those countries as President-elect of Argentina, not a few of those ills stem from international factors.

In these circumstances, and without prejudice to any possible action of its own, the Argentine Government would be happy to support any initiative to re-examine and revise those economic policies, systems, or factors which affect the present state of affairs on the international level, or which hinder or delay the national unity of the American countries.

Feeling certain that I have given expression to our mutual desires and aims, I avail myself of this auspicious occasion to convey to you, Mr. President, the expression of my highest consideration and of my best wishes for your personal happiness.

Frondizi

U.S. and Argentina To Continue Work at Ellsworth Station, Antarctica

Following is the text of a joint announcement made on July 15 by the Governments of the United States and Argentina.

Press release 403 dated July 15

The Governments of Argentina and the United States of America have agreed to cooperate in maintaining operations at Ellsworth Station, Antarctica, in order that the useful scientific activities which have been carried on there during the current International Geophysical Year may be continued without interruption and, to the extent that this may be feasible and advisable, after the end of the International Geophysical Year on December 31, 1958.

For this purpose the Government of the United States of America is contributing all the build-

ings and facilities of the Ellsworth Station and all of the supplies, fuel, and food remaining at the Station at the end of the International Geophysical Year. The Government of Argentina, on its part, has agreed to provide the logistical and administrative services needed for the continued operation of the Station. Scientists from both countries will participate in the program of technical studies, research and scientific observations to be carried on at Ellsworth Station.

In harmony with the spirit of the present agreement, scientists from all countries may be invited to participate in the scientific activities on Ellsworth Base at any time, subject to the limitations of space, transportation, and accommodations.

The arrangements to which this announcement refers have no effect on rights or claims asserted in Antarctica. Each Government maintains its traditional position in regard to such matters.

The details of this new arrangement are currently being worked out by officials of the two Governments, so that the operational, logistical and administrative functions required for the successful operation of this Station can be continued on January 1, 1959, without interruption of the scientific activities at the Station.

The Governments of Argentina and the United States of America jointly express their satisfaction at this new manifestation of the friendly spirit of ecoperation which animates them, and are confident that the practical results of this agreement will redound to the benefit of world science.

Herbert Hoover Represents President at Brussels World's Fair

The White Honse announced on July 1 that former President Herbert Hoover, the Personal Representative of President Eisenhower at the United States Official Days at the Brussels Universal and International Exhibition, would leave for the fair from New York City on July 2.

Mr. Hoover's designation as Personal Representative of the President was announced on May 5. The rest of the delegation, including Deputy Under Secretary of State Robert Murphy, was designated by Secretary of State Dulles. In ad-

dition to Mr. Murphy, members of the delegation include Col. Joseph P. Binns, USAFR, aide, and William Hallam Tuck, a former member of the Belgian Relief Commission. Other members are Neil McNeil, press adviser, Dr. Fordyce St. John, medical adviser, and Sam L. Yates, Belgian desk officer of the Department of State.

Upon arrival at Brussels on July 3, the former President will be welcomed by American Ambassador and Mrs. John Clifford Folger, U. S. Commissioner General for the Brussels World's Fair Howard Cullman and Mrs. Cullman, and a group of ranking Belgian officials.

Mr. Hoover is scheduled to deliver an address at the fair on July 4. Other events during the U. S. Official Days, July 2-4, include appearances of the Philadelphia Symphony Orchestra with its regular conductor, Engene Ormandy, and soloist Isaac Stern, and the American Ballet Theater.

Mr. Hoover is scheduled to deliver another speech on July 5 during a meeting of the Belgian Relief Commission, which he headed in World War I. This reunion of the Commission will be held in the Brussels Board Room of the Société Générale de Belgique, the original meeting room during its operation in World War I.

Mr. Hoover returns to New York July 6.

Mr. Allen Reports to the President on U.S. Exhibit at Brussels Fair

George V. Allen, Director of the U.S. Information Agency, made an inspection tour of the U.S. exhibit at the Brussels World's Fair, June 19-22, Following is the text of his report to President Eisenhower, which was released by the White House on June 28.

June 28, 1958

Dear Mr. President: In accordance with your oral instructions, I visited the Brussels World's Fair from June 19 to June 22, where I examined the United States exhibit and saw as many other exhibits as possible.

During the three and one-half days in Brussels, I consulted with Commissioner General Howard S. Cullman, Deputy Commissioners James S. Plant and Mrs. Catherine Howard, Executive Director Thurston Davies, and other members of the American staff, including a number of the young Americans serving as guides. I also talked with

Ambassador Folger and members of his diplomatic and public affairs staff, and made a courtesy call on the Belgian Director General of the Fair, Baron Moens de Fernig. In addition, I questioned various American and foreign visitors to our pavilion.

The following summarizes my impressions:

- 1. On balance, my reaction was favorable. While the general impression made by the interior of our pavilion can, as I indicate later, be improved in certain respects, our effort as a whole has a number of good points and several outstanding ones.
 - 2. Some of the good points are:
- 1. The building itself. There are many fine structures at the Fair, but our pavilion is regarded by everyone I talked to as the finest single building there. I heartily concur. From both an architectural and engineering point of view, it is brilliant.
- 2. The over-all impression of our exhibit on Europeans, who make up more than 90 percent of the visitors, is good. Europeans are particularly impressed by the absence of heavy-handed propaganda and by the fact that the United States, which they know to be powerful industrially and economically, has not attempted to overshadow the Fair with a show of industrial might. The general air of our exhibit is one of friendliness, animation, and humanism.
- 3. Our guides are a fine representation of American youth. As you may know, the Governor of each State was asked to nominate and sponsor candidates.
- 4. Circarama, which is a 360 degree film presentation, is not only a magnificent achievement in the cinema field but the film itself is a thrilling presentation of America. Unfortunately, not enough visitors can see it because of space limitations.
- 5. Certain of the technical exhibits, including the RCA color TV demonstration, the RAMAC "electric brain" machine and the Atomic Energy show, are outstanding and have wide appeal.
- 6. The voting machines are a great hit and are attracting much favorable notice.
- 7. Performing arts. A high level of artistic talent has performed in our excellent theatre, and many more are scheduled. "Carousel," which was running while I was there, made a good impression. An American rodeo, showing in Brus-

sels under private auspices, also adds to the picture of America.

8. My report would not be complete without reference to the many outstanding exhibits by American firms which are not connected with our pavilion but which add notably to the over-all impression of the United States at the Fair.

Obviously, there are improvements which can be made in our official exhibit. I discussed certain of these with Mr. Cullman and believe he is ready to do what he can toward this end. Among these are:

- 1. A broadening of the problems to be considered in the exhibit on "unfinished work." This might include an exhibit on public health, which is one of the important unfinished tasks of this country.
- 2. Wider diversification in the art exhibit. At present the modern part of this exhibit is heavily weighed on the side of abstract art.
- 3. A wider distribution of guide books and brochures. (USIA is contributing 300,000 copies of "Window to America" for this purpose.)
 - 4. Clarification of several exhibit items by:
- a. Elimination of puzzling things such as mailboxes, sun glasses, odd shoes, football uniforms, etc. (I suggested to the Commissioner that some of them be replaced by the best handloom in the United States, which I understand is available. The inventor would operate it at the exhibit. Any machine being operated draws more interest than an exhibit not in active use. The latest handloom would tie in modern technical improvements with early American household handicrafts.)
- b. Review of all captions and explanations to see that they are clear to the average observer—captions to be added where needed, enlarged, or clarified for the running visitor.
- 5. The central hall of the pavilion is somewhat too sophisticated and impressionistic for the average visitor, who goes through "on the run." As many performances as possible by choirs, glee clubs and college bands should be given there. I did not find the fashion show objectionable, but it should be added to by other events.

Several suggestions for additional exhibits are now being looked into, which I believe Mr. Cullman should consider if they prove feasible. The Fair as a whole is highly successful. The estimate for total attendance has been raised from thirty-five million to fifty million visitors. Many of the national exhibits are outstanding. We are making a good impact on visitors, notably through our building itself, and have an opportunity to make an even greater one.

You may wish to send the substance of this report to Mr. Cullman. He and his group have worked diligently, with full dedication. They deserve, in my view, high commendation.

Faithfully yours,

George V. Allen

President Issues Order on Seaway Corporation

White House press release dated June 21

WHITE HOUSE ANNOUNCEMENT

The President has issued an Executive order assigning to the Secretary of Commerce and the Secretary of Defense the duty of directing and supervising the Saint Lawrence Seaway Development Corporation. The management of the Corporation is vested by statute, and will remain, in the Administrator of the Corporation, who is appointed by the President by and with the advice and consent of the Senate.

The Act of Congress approved May 13, 1954, establishing the Saint Lawrence Seaway Development Corporation provided that the Corporation be subject to the direction and supervision of the President or of the head of such agency as the President may designate.

The President in 1954 designated the Secretary of Defense to direct and supervise the Corporation. The assignment of this duty to the Secretary of Defense during the period of construction of the seaway project was particularly appropriate. Under this order, and until the completion of the construction of the seaway, the Secretary of Defense will continue to direct and supervise the Corporation in relation to construction. The Saint Lawrence Seaway Development Corporation has employed the Corps of Engineers of the United States Army as the Corporation's design, contracting, and construction agent; this arrangement remains unchanged.

The order designates the Secretary of Commerce to direct and supervise the Saint Lawrence Seaway Development Corporation with regard to all its affairs other than the heretofore authorized construction of the seaway. The scope of the supervisory responsibility of the Secretary of Commerce will extend to the general policies of the Corporation, the operation and maintenance of the seaway, the establishment of rates of charges or tolls, the rules for the measurement of vessels and cargoes, and various other matters. The order also calls upon the Department of Commerce to assist the Corporation in encouraging the development of traffic and maximum utilization of the seaway subject to principles set forth in the seaway statute.

The President's Executive order is occasioned by the approaching end of the construction of the seaway and the emerging dominance of seaway operations and operating policies in the affairs of the Corporation. The designation of the Secretary of Commerce to supervise the Seaway Corporation with respect to its operating phase accords with the general role of the Department of Commerce in the field of transportation.

EXECUTIVE ORDER 107711

AMENDMENT OF EXECUTIVE ORDER NO. 10534, RELATING TO THE SUPERVISION AND DIRECTION OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Executive Order No. 10534 of June 10, 1954 (19 F. R. 3413), entitled "Providing for the supervision and direction of the Saint Lawrence Seaway Development Corporation," is amended to read as follows:

By virtue of the authority vested in me by section 1 of the act of May 13, 1954, 68 Stat. 93 (33 U. S. C. 981), and as President of the United States, it is hereby ordered as follows:

Section 1. The Saint Lawrence Seaway Development Corporation (hereinafter referred to as the Corporation) shall be subject to the direction and supervision of the Secretary of Defense: Provided, that direction and supervision of the Corporation by the Secretary of Defense under this section shall be limited to those functions of the Corporation which directly and exclusively concern the construction of the Saint Lawrence River navigation project, as authorized by subsection (a) of section 3 of the act of May 13, 1954, 68 Stat. 93 (33 U. S. C. 983 (a)), and shall terminate upon the completion of the construction so authorized.

Sec. 2. (a) Except as otherwise provided in section 1 of this order, the Secretary of Commerce shall exercise

August 4, 1958 213

¹ 23 Fed Reg. 4525.

the direction and supervision, with respect to the Corporation, provided for in the said section 1 of the act of May 13, 1954.

(b) Direction and supervision of the Corporation by the Secretary of Commerce under subsection (a) of this section shall extend, but shall not be limited, to: (1) the general policies of the Corporation, (2) the operation and maintenance of the Saint Lawrence Seaway, (3) the provision of services and facilities necessary in the operation and maintenance of the Seaway, and (4) the rules for the measurement of vessels and cargoes and the rates of charges or tolls to be levied for the use of the Seaway.

SEC. 3. The Department of Commerce shall assist the Corporation in encouraging the development of traffic and maximum utilization of the Seaway, subject to the principles set forth in section 12 (b) of the said act of May 13, 1954.

Sec. 4. The Secretary of Defense and the Secretary of Commerce shall keep each other fully and currently informed on those matters, including prospective actions, within their respective areas of responsibility under sections 1 and 2 of this order which affect the responsibility of the other thereunder.

Dury Lot Dixum hour

THE WHITE HOUSE, June 20, 1958.

President Modifies Import Quota on Long-Staple Cotton

White House press release dated July 7

WHITE HOUSE ANNOUNCEMENT

The President has adopted the recommendation of the U.S. Tariff Commission with respect to the modification of the import quota on long-staple cotton

An annual import quota of 45.656,420 pounds for long-staple cotton was established in 1939 under section 22 of the Agricultural Adjustment Act, as amended. The President's proclamation subdivides the quota on the basis of length of staple for future quota years, beginning August 1, 1958. The apportionment is as follows: 39,590,778 pounds for extra-long-staple cotton (13% inches or more in length); and 6,065,642 pounds for ordinary-long-staple (11% inches or more but less than 13% inches in length). 1,500,000 pounds of the latter amount is set aside for so-called Tanguis cotton.

The President had requested the Tariff Commission on April 7, 1958,¹ to determine whether changed circumstances required the modification of the long-staple cotton quota. He pointed out that increasing imports of ordinary-long-staple cotton had the effect of diminishing the quantity of extra-long-staple cotton that could enter under the quota. The Commission issued its report on June 20, 1958.

PROCLAMATION 32512

Modifying the Import Quota on Long-Staple Cotton

Whereas on September 5, 1939, the President, under the authority of section 22 of the Agricultural Adjustment Act, as amended (7 U. S. C. 624), issued a proclamation (No. 2351; 3 CFR, Cum. Supp., p. 113) limiting the quantities of certain cotton and cotton waste which might be entered, or withdrawn from warehouse, for consumption, which proclamation was suspended in part or modified by proclamations of December 19, 1940 (No. 2450; 3 CFR, Cum. Supp., p. 205), March 31, 1942 (No. 2544; 3 CFR, Cum. Supp., p. 294), June 29, 1942 (No. 2560; 3 CFR, Cum. Supp., p. 308), February 1, 1947 (No. 2715; 3 CFR, 1943-48, Comp., p. 102), June 9, 1947 (No. 2734; 3 CFR, 1943-48, Comp., p. 116), July 20, 1948 (No. 2800; 3 CFR, 1943-48, Comp., p. 217), September 3, 1949 (No. 2856; 3 CFR, 1949 Supp., p. 45), October 4, 1950 (No. 2905; 3 CFR, 1950 Supp., p. 57), October 12, 1950 (No. 2007; 3 CFR, 1950 Supp., p. 61), June 29, 1951 (No. 2934; 3 CFR, 1951 Supp., p. 35), and June 29, 1956 (No. 3145; 3 CFR, 1956 Supp., p. 34); and

Whereas under the proclamation of September 5, 1939, as suspended in part and modified, the quantity of cotton having a staple of 1½ inches or more in length which may be entered, or withdrawn from warehouse, for consumption in any year beginning August 1 may not exceed 45,656,420 pounds; and

Whereas, pursuant to subsection (d) of section 22 of the Agricultural Adjustment Act, the United States Tariff Commission has made a supplemental investigation to determine whether changed circumstances require the further modification of the proclamation of September 5, 1939, to carry out the purposes of the said section 22; and

Whereas the Commission has transmitted to me a report of its findings and recommendations made in connection with its supplemental investigation:

Now, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby find and proclaim, on the basis of the supplemental investigation and report of the United States Tariff Commission, that changed circumstances require the further modification, as hereinafter provided, of the said proclamation of September 5, 1939, in order to carry out the purposes of section 22 of the Agricultural Adjustment Act, as amended. Accordingly, under the authority vested in me by such

¹ Bulletin of May 12, 1958, p. 788.

² 23 Fed. Reg. 5233.

section, I hereby further modify the said proclamation of September 5, 1939, so that of the total quantity of 45,656,-420 pounds of cotton having a staple of 11s inches or more in length which may be entered, or withdrawn from warehouse, for consumption during the year beginning August 1, 1958, and in any subsequent year beginning August 1, not more than 39,590,778 pounds shall consist of cotton having a staple of 13% inches or more in length, and not more than 6,065,642 pounds shall consist of cotton having a staple of 1% inches or more but less than 1%inches in length: Provided, that of such 6,065,642 pounds, not more than 1,500,000 pounds shall consist of harsh or rough cotton (except cotton of perished staple, grabbots, and cotton pickings), white in color and having a staple of 1532 inches or more in length, and not more than 4,565,642 pounds shall consist of other cotton.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the City of Washington this seventh day of July in the year of our Lord nineteen hundred [SEAL] and fifty-eight, and of the Independence of the United States of America the one hundred and eighty-third.

Duey Lo Diem hour

By the President:

John Foster Dulles,

Secretary of State.

Renegotiations Under GATT Concluded With Five Countries

Press release 388 dated July 8

Tariff negotiations held by Australia, New Zealand, Austria, Finland, and the Netherlands (for Surinam) with the United States have now been concluded for the modification or withdrawal of certain tariff concessions previously made by these countries under the General Agreement on Tariffs and Trade. The United States agreed to modification or withdrawal of some existing concessions in return for new concessions on trade items in which it has an interest. In some cases the United States was able, during the course of the negotiations, to persuade countries to withdraw certain proposed modifications. No changes in United States duties were involved in these renegotiations.

The countries modifying or withdrawing concessions in these renegotiations granted new concessions as compensation to countries that were originally granted the concessions being modified or withdrawn and to countries determined to have a substantial trade interest in such concessions. The purpose of granting new concessions is to endeavor to maintain the level of reciprocal and mutually advantageous concessions.

The results of the renegotiations are summarized below:

Australia negotiated with the United States the withdrawal of its concession, originally granted the United States in 1947, on taxi meters. As compensation Australia has bound the existing most-favored-nation rate of 12½ percent on measuring machines, a type of metalworking machinery.

New Zealand withdrew its concession, originally granted to the United States, on certain leather skins (goat and kid skins, however dressed; persians; reptile skins, dressed or undressed) and modified its concessions, also initially granted to the United States, on certain electric lamps. As compensation for the increased duties on part of the leather and electric lamp items, New Zealand agreed to eliminate the present duty and to bind free the rates on patent leather and on certain leathers which have been reclassified in the New Zealand tariff schedule. New Zealand also agreed to a moderate reduction in the duty on discharge and fluorescent tubes and photographic flash bulbs and to a small reduction in the rate on field glasses. New Zealand has already published its tariff changes.

Austria negotiated with the United States and other contracting parties the withdrawal of concessions initially negotiated either with the United States, or jointly with the United States and another country, on white oils and transformer oils, certain refrigerating machinery, and aromatic essences not containing alcohol or ether. As compensation Austria agreed to reduce and bind against increase the rates of duty on bookkeeping and calculating machines, electric typewriters, and records and rolls for phonographs.

Finland's negotiations with the United States involved the withdrawal of concessions initially granted to the United States on soya beans, lard, and assembled switchboards, and the modification

¹ For details of the negotiations, see General Agreement on Tariffs and Trade: Analysis of Renegotiation of Certain Tariff Concessions—Australia, New Zealand, Austria, Finland and Surinam and Netherlands, Department of State publication 6667, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C.; price 15 cents.

of concessions initially granted to the United States on fresh apples and on stockings, socks, and gloves of artificial silk. As compensation for the withdrawals and modifications, Finland agreed to reduce and to bind against increase the rates of duty on fresh oranges, certain dried fruits, spark plugs, and discharge tubes for purposes other than lighting.

The Netherlands and Surinam negotiated with the United States the modification of concessions in the Surinam tariff initially negotiated with the United States on men's and women's clothing, paper bags, and mining machinery. In compensation Surinam and the Netherlands agreed to reductions in the Surinam duty on cereal flours and bulk detergents for industrial use and, in addition, agreed to bind existing rates of duty on medicaments, detergents for retail sale, disinfectants and insecticides, certain refrigerating equipment, and special-purpose motor vehicles.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of International Conferences and Meetings 1

ITU International Radio Consultative Committee (CCIR): Study Group V Geneva. .

4th FAO Inter-American Meeting on Livestock Production

Adjourned During July 1958

(Tropospheric Propagation).

| UNESCO Committee on International Standardization of Educational Statistics. | Paris | June 23-July 4 |
|--|--|--|
| Statistics. 8th Berlin Film Festival SEATO Ad Hoc Committee on Cultural Policy FAO International Poplar Commission: Executive Committee ICAO Airworthiness Committee: 2d Meeting Joint UNESCO/IBE International Conference on Public Education: 21st Session. | Berlin | June 27-July 8 June 30-July 5 July 1-4 July 3-31 July 7-16 |
| GATT Intersessional Committee International Union of Biological Sciences: 13th General Assembly IBE Council: 24th Session Inter-American Technical Committee on Cacao: 7th Meeting . ICAO Communications Meeting for the South American Region Venice Documentary and Children's Film Festivals International Union of Architects: 5th Congress ITU International Radio Consultative Committee (CCIR): Study Group IV (Ground Wave Propagation). Baghdad Pact Ministerial Council: 5th Meeting | Geneva London Geneva Palmira, Colombia Lima Venice Moscow Geneva | July 9-10 July 12-14 July 12 (1 day) July 13-20 July 14-18 July 17-27 July 20-28 July 21-29 July 28-31 |
| Inter-American Travel Congresses: Technical Committee of Experts on Tourist Travel Promotion. | México, D. F | July 28-31 |
| In Session as of July 31, 1958 | | |
| Brussels Universal and International Exhibition of 1958 U.N. Trusteeship Council: 22d Session U.N. ECOSOG Technical Assistance Committee Technical Piscussions on Detection of Nuclear Tests U.N. Economic and Social Council: 26th Session South Pacific Commission: Technical Conference on Cooperatives | Brussels. New York. Geneva. Geneva. Geneva. Port Moresby,New | Apr. 17– June 9– June 24– July 1– July 1– July 21– |

July 21-

Guinea.

Kingston, Jamaica. . .

¹ Prepared in the Office of International Conferences, July 16, 1958. Asterisks indicate tentative dates. Following is a list of abbreviations: CC¹R, Comité consultatif international des radio communications; CC¹T, Comité consultatif international télégraphique et téléphonique; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; EC'OSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; ILO, International Labor Organization; ITU, International Telecommunication Union; PAIGH, Pan American Institute of Geography and History; PASO, Pan American Sanitary Organization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WMO, World Meteorological Organization.

| ITU International Radio Consultative Committee (CCIR); Study Group VI | Geneva | July 23- |
|--|---------------------------------|------------------------|
| (Ionospheric Propagation). Ad Hoc Committee for Revision of the Agreement for the Establishment of | Trinidad | July 24- |
| the Caribbean Commission. Interparliamentary Union: 47th Conference | Rio de Janeiro | July 24- |
| FAO ECE Study Group on Application of Machinery to Forest Work U.N. ECAFE Seminar on Regional Planning in Relationship to Urbaniza- | Geneva | July 25 - July 28 - |
| tion and Industrialization. | Tokyo | July 28- |
| | | |
| Scheduled August 1 Through October 31, 1958 | | |
| Inter-American Travel Congresses: Technical Committee of Experts on the Removal of Travel Barriers. | Buenos Aires | Aug. 6- |
| ITU International Radio Consultative Committee (CCIR): Study Group I (Transmitters) and Study Group II (Receivers). | Geneva | Ang. 7- |
| International Union of Mathematics: 3d General Assembly | St. Andrews, Scotland . | Aug. 11- |
| U.N. ECE Inland Transport Committee: Working Party on Transport of Dangerous Goods. | Geneva | Aug. 11– |
| International Astronomical Union: 10th General Assembly U.N. ECAFE Working Party on Housing and Building Materials: 5th Session | Moscow | Aug. 13- Aug. 13- |
| 11th International Congress of Mathematicians | Edinburgh | Aug. 14→ |
| UNESCO Intergovernmental Copyright Committee: 3d Session ICAO Special Communications Preparatory Meeting for the ITU Radio | Geneva Montreal | Aug. 18- Aug. 19- |
| Conference. Inter-American Travel Congresses: Permanent Executive Committee | Lima, | Aug. 19- |
| U.N. Refugee Fund: Working Party | Geneva | Aug. 21- |
| 19th International Exhibition of Cinematographic Art | Venice Edinburgh | Aug. 24– Aug. 24– |
| International Union of Theoretical and Applied Mechanics | Oxford | Aug. 24- |
| 6th International Conference of Onomastic Sciences | Munich | Aug. 24- Aug. 25- |
| PAIGH Directing Council: 3d Meeting. U.N. Advisory Committee on Peaceful Uses of Atomic Energy ICAO Development/Implementation Panel for the Meteorological Opera- | Geneva | Aug. 29- Sept. 1- |
| tional Telecommunications Network for Europe. | Tans | |
| International Union of Biochemistry: 3d General Assembly U.N. International Conference on Peaceful Uses of Atomic Energy | Vienna | Sept. 1- Sept. 1- |
| U.N. ECAFE Working Party on Economic Development and Planning: | Bangkok | Sept. 2- |
| 4th Session. UNICEF Executive Board and Program Committee | New York | Sept. 2- |
| International Statistical Institute: Special Meeting 6th International Congress of Tropical Medicine and Malaria | Brussels | Sept. 3- |
| World Power Conference: 12th Sectional Meeting | Montreal | Sept. 5- Sept. 7- |
| FAO Meeting on Standards for Milk and Milk Products 18th International Congress of Ophthalmology | Rome | Sept. 8- Sept. 8- |
| 1CAO Legal Committee: Subcommittee on Legal Status of the Aircraft. | Montreal, | Sept. 9- |
| 6th International Congress on Large Dams | New York | Sept. 15- Sept. 15- |
| U.N. General Assembly: 13th Session | New York | Sept. 16- Sept. 21- |
| 11th World Poultry Congress. 15th Pau American Sanitary Conference and 10th Meeting of the Regional | San Juan | Sept. 21- |
| Committee of WHO for the Americas. International Atomic Energy Agency: 2d General Conference | Vienna | Sept. 22- |
| Inter-American Radio Conference ITU International Telegraph and Telephone Consultative Committee | Washington | Sept. 22- |
| (UCFFF); Special Plenary Assembly, | Geneva | Sept. 22- |
| U.N. ECE Inland Transport Committee: Group of Experts on Technical Rail Questions. | Geneva | Sept. 22- |
| U.N. Sugar Conference. U.N. ECAFE Working Party on Coordination of Transport | Geneva | Sept. 22- |
| FAO International Chestnut Commission: 4th Session | Bangkok Yugoslavia and Greece . | Sept. 23- Sept. 25- |
| South Pacific Commission: 18th Session | Nouméa, New Cale- donia, | Sept. 26- |
| FAO UNICEF Joint Policy Committee | Rome | Sept. 29- |
| WMO Commission on Agricultural Meteorology: 2d Session International Council for the Exploration of the Sea: 46th Annual Meeting . | Warsaw , | Sept. 29- Sept. 29- |
| Commonwealth Specialist Subcommittee of Service Psychologists | Melbourne | Sept. 29- |
| ITU International Administrative Telephone and Telegraph Conference U.N. ECE Coal Committee and Working Parties | Geneva | Sept. 29- Sept. 29- |
| U.N. ECE Inland Transport Committee: Working Party on Construction of Road Vehicles. | Geneva | Sept. 29- |
| ICAO Teletypewriter Technical Panel | Montreal | September |
| 5th International Congress of Rural Engineering | Brussels | September September |
| GATT Intersessional Committee | Geneva | September |
| International Council of Scientific Unions: 8th General Assembly FAO International Rice Commission: 6th Session | Washington | Oct. 2- Oct. 3- |
| | | |

August 4, 1958 217

Calendar of International Conferences and Meetings—Continued

Scheduled August 1 Through October 31, 1958—Continued

| International Union of Official Travel Organizations: 13th General Assembly. | Brussels | Oct. 3- |
|--|---|--|
| International Bank for Reconstruction and Development and the International Monetary Fund: 13th Meeting of Boards of Governors. | New Delhi | Oct. 6- |
| FAO Hemorrhagic Septicemia Meeting | Rome | Oct. 6- Oct. 6- |
| ILO Meeting on Conditions of Work and Employment of Nurses | Geneva | Oct. 6- Oct. 6- Oct. 6- Oct. 7- Oct. 7- |
| Structural Division of American Society of Civil Engineers and International Association for Bridge and Structural Engineering: Joint Meeting. | New York | Oct. 13- |
| U.N. ECE Timber Committee: 16th Session GATT Contracting Parties: 13th Session FAO Near East Forestry Commission: 2d Session Consultative Committee on Cooperative Economic Development in South and Southeast Asia (Colombo Plan): 10th Meeting. | Geneva Geneva Iraq | Oct. 13- Oct. 16- Oct. 18- |
| Preliminary Working Group Officials Meeting Ministerial Meeting LO Meeting of Experts on Teachers' Problems U.N. ECAFE Regional Cartographic Conference U.N. ECAFE Subcommittee on Iron and Steel: 8th Session. FAO Group on Coconut: 2d Session FAO Council: 29th Session LO Meeting of Experts on the International Classification of Radiographs of Pneumoconioses. | Seattle Seattle Scattle Geneva Tokyo Bangkok Manila Rome Geneva | Oet. 20* Oct. 27* Nov. 10* Oct. 20- Oct. 21- Oct. 21- Oct. 27- Oct. 27- |
| U.N. ECE Committee on Development of Trade and East-West Trade Consultations. | Geneva | Oct. 27- |
| UNESCO Executive Board: 52d Session | Paris | Oct. 27- Oct. 28- October |
| U.N. Technical Assistance Board | New York London or Geneva | October October |

U.S. Participation in the United Nations During 1957

Following is the text of a letter from President Eisenhower transmitting to the Congress the 12th annual report on U.S. participation in the United Nations.¹

TO THE CONGRESS OF THE UNITED STATES:

Pursuant to the United Nations Participation Act, I transmit herewith the twelfth annual report, covering United States participation in the United Nations during the year 1957.

The United Nations can justly take credit for a record of solid achievement in 1957. The General Assembly was faced with a series of grave issues. It met these challenges in a spirit of moderation and with responsible action. In most instances, painstaking effort and patient diplomacy produced satisfactory solutions based on reasonable compromise. Thus, peace was maintained in areas where existing tensions ran high, and substantial gains were achieved in the promotion of the social and economic well-being of mankind.

In the period under review a major step forward was taken in the field of disarmament when the General Assembly endorsed by a substantial majority the Western proposals for arms limitation and control.

¹Reprinted from U.S. Participation in the UN: Report by the President to the Congress for the Year 1957 (H. Doc. 372, 85th Cong., 2d sess.); Department of State publication 6654, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. (304 pp., 75 cents).

We had made our position on disarmament abundantly clear. We were, and still are, firmly convinced that an effective system of armaments control with an adequate system of inspection affords the greatest hope of achieving the just and lasting peace we seek. As a step toward this objective we continued in 1957 to press for a limited "first-stage" agreement which would eliminate the dangers of surprise attack, lessen the threat of nuclear war, and reduce the heavy financial strain which the present arms race has imposed on many nations. We firmly believe that any sound measure which can achieve progress in this respect can and should be adopted.

In its efforts to achieve these objectives, the United States, acting in concert with a number of other states, submitted to the twelfth session of the General Assembly a set of practical measures which would achieve some form of limitation and control over armaments and armed forces. I would like to summarize them briefly.

First, we would halt all future production of nuclear materials for weapons purposes. Second, we would begin at once the transfer of past production of such materials to peaceful uses. Third, nuclear test explosions would come to a halt. Fourth, conventional armaments and armed forces would be reduced. Fifth, zones of air and ground inspection would be established in order to prevent surprise attacks. Sixth, we would begin a study of the means by which all developments in the field of outer space can be devoted solely to peaceful and scientific purposes.

Almost immediately after these proposals had been submitted, the Soviet Union rejected them out of hand. Nevertheless, the General Assembly endorsed the Western proposals by a large majority. The Soviet proposals on disarmament were rejected by the Assembly. In response to Soviet insistence that the Disarmament Commission be enlarged to include all 82 members of the United Nations, the Assembly agreed to expand the Commission from 12 to 25 members to afford wider representation in the disarmament discussions. However, the Soviet Union threatened to boycott further meetings of the Disarmament Commission and its Subcommittee.

These United Nations actions constitute a most encouraging world endorsement of the positive program of disarmament set forth by the United States—an endorsement of great significance in future discussions of the subject.

I was particularly gratified by the launching of the International Atomic Energy Agency, an achievement of far-reaching importance. As you may recall, I proposed in an address to the members of the General Assembly in 1953 that an international body be established to promote peaceful uses of nuclear energy.

My hopes in this respect are on the way toward fulfillment. Last October the International Atomic Energy Agency established itself in head-quarters in Vienna and held its first conference. Mr. W. Sterling Cole, for many years a respected member of the United States House of Representatives, was elected Director General of the Agency.

The International Atomic Energy Agency shows great promise as an international center responsible for the sharing by all nations of information, technical skills, and radioactive isotopes and nuclear fuels for peaceful pursuits.

Nowhere was United Nations action more effective last year than in the troubled Middle East. The General Assembly dealt with these issues responsibly.

In the case of the Turkish-Syrian "crisis," full and frank debate of the issue in the Assembly failed to substantiate Soviet and Syrian charges of a Turkish "threat to the peace."

The Assembly was faced with Soviet and Syrian charges that Turkey was preparing to attack Syria. In addition, the Soviet Union accused the United States of encouraging such an attack. Responsible debate in the General Assembly not only showed that these charges were without foundation but also made clear that the Soviet Union, by advancing false charges, had sought to stir up an artificial war scare and increase tensions. The situation was abated by the responsible attitudes and actions of United Nations members. Notable in this connection were the calm attitude of our Turkish ally and the offer of His Majesty King Saud to mediate. In the end, the Assembly did not need to take any action. Its open discussion of the issue, to which Ambassador Lodge made important contributions on behalf of the United States, demonstrated to the world that Syria and the Soviet Union had manufactured the "crisis" as a propaganda maneuver against the West.

In 1957 the United Nations took an important step forward to maintain peaceful conditions in another troubled area of the Middle East. In an unprecedented action its members agreed to share the costs of the United Nations Emergency Force on the same basis as their contributions to the United Nations budget. In this way the Assembly insured the existence of UNEF for another year as the chief deterrent to threats to peace in the Gaza Strip and the Sharm-el-Sheikh This truly international police force can boast an inspiring record since its creation more than a year ago. It has helped to reduce to a minimum tension-breeding incidents between Egypt and Israel. Its international character has provided living proof that men of different nations, backgrounds and religions can work together harmoniously to create peaceful conditions in an area where tensions might otherwise run high.

The Suez Canal is now cleared and operating. The significance of the United Nations action which reopened this vital artery of world commerce cannot be overstated. One of the most difficult problems connected with the clearance of the Canal was the determination of a satisfactory means to repay costs of the clearance operations. The Assembly found an answer in a resolution which provides for the imposition of a three-percent surcharge on traffic passing through this Canal. As a result of this reasonable compromise which required assent by Egypt and the support of the major shipping nations, we can hope that the total costs of this vital operation will be repaid in due course.

The reelection of Secretary-General Dag Hammarskjold to a five-year term is reassuring. The members of the United Nations owe him a debt of gratitude for the role which he played in the solution of many issues confronting the United Nations last year, particularly in the Middle East. His keen understanding of the spirit and objectives of the United Nations combined with an astute sense of diplomacy have contributed substantially to the growing stature of the office which he holds.

Two former non-self-governing territories, Ghana and the Federation of Malaya, became politically independent during the year and were elected members of the United Nations, increasing

its membership to 82.2 Continued progress was made toward self-government or independence in the Trust Territories—notably in the General Assembly's decision to supervise elections in the Trust Territory of Togoland under French administration.

The General Assembly, as in previous years, decided by a large majority not to consider the question of Chinese representation. The effect of this decision was to maintain the position of the Government of the Republic of China in the United Nations.

The General Assembly again gave consideration to the Korean question and by a substantial majority reaffirmed the principles on the basis of which the United Nations believes unification of Korea can be achieved. The Republic of Korea, regrettably, was again denied membership in the United Nations because of another Soviet veto, as was the case also with the membership application of the Republic of Viet-Nam.

In Hungary the Soviet Government and its puppet regime continue to defy the will of the United Nations. In January 1957 the General Assembly established a special committee to investigate the Soviet Union's intervention in Hungary and its defiance of the United Nations, and to report its findings to the Assembly.

The Hungarian regime barred the Committee from entering Hungary, but the Committee carried out its mission by gathering evidence elsewhere mainly from eyewitnesses who fled Hungary. The Committee's report proved irrefutably that the Hungarian revolt was a spontaneous popular uprising and that the Soviet Union, in violation of the United Nations Charter, forcibly deprived Hungary of its liberty and political independence.

To consider this report, the Eleventh General Assembly was reconvened last September in a special resumed session. It condemned the Soviet intervention, endorsed the Committee's report and appointed Prince Wan Waithayakon of Thailand as its Special Representative to achieve its objectives on Hungary. Prince Wan's efforts to carry out his mission have been rebuffed so far by

² Membership of the United Nations has since been reduced to 81 by the creation by Egypt and Syria of the United Arab Republic on Feb. 1, 1958.

the Soviet Government and the Hungarian authorities. In his report to the Twelfth General Assembly, Prince Wan expressed the hope that he would be given an opportunity to carry out his mandate as the Assembly's Special Representative. Until the Soviet Union shows respect for the General Assembly's resolution, it will continue to feel the censure of world opinion.

Of particular interest to the Congress is the General Assembly's action in accepting 30 percent as the maximum share to be paid by the largest contributor (the United States) to the budget of the United Nations. The Assembly took a first step toward achieving this objective by reducing the percentage assessment of the United States from 331/3 percent to 321/2 percent in 1958. Member states have contributed to this financing of the United Nations budget through a cost-sharing system based on their capacity to pay. With the admission of 22 new members in the past three years, the General Assembly decided that old members, including the United States, should pay proportionately less and thus benefit from payments by the new contributors.

It was gratifying to me that the General Assembly endorsed by an overwhelming majority a United States resolution to extend the mandate of the United Nations High Commissioner for Refugees for an additional five years and to revise completely the refugee assistance program in order to enable it to meet emergency refugee problems more effectively as they arise. This action by the Assembly reflects a general recognition of the fact that the refugee problem is a problem involving human beings rather than mere static issues and sets of statistics—a problem which is extremely sensitive to changes in international affairs.

No summary of achievements of the United Nations activities in 1957 would be complete without mention of its economic and social activities. The work of its Specialized Agencies and voluntary programs, carried on without fanfare, attracts few headlines. But these organizations are making steady progress in raising the

standards of living throughout the world. In recognition of the increasing needs in the economic and social field, the General Assembly last year adopted the United States proposals for the creation of a Special Projects Fund in order to expand the United Nations activities in the technical assistance field. The resolution embodying these proposals not only provides for the establishment of the Fund but also contemplates an increase from \$30 million up to \$100 million in funds available for expansion of United Nations technical assistance programs.

The additional funds would be devoted partially to increasing the resources available to the technical assistance programs and also to the establishment of the Special Fund itself. The Fund will support technical assistance projects in certain fields of basic importance to the successful economic growth of the underdeveloped nations. It will make possible surveys of water, mineral and potential power resources; the staffing and equipping of training institutes in public administration, statistics and technology; and the setting up of agricultural and industrial research and productivity centers.

This practical United Nations program is in line with the United States policy of promoting the economic and social progress of the underdeveloped nations. The Assembly's action also indicates acceptance of the United States position that, since adequate financial resources are not prospectively available, the establishment of a multimillion dollar United Nations capital development fund such as was envisaged in the proposed Special United Nations Fund for Economic Development would be meaningless and illusory.

By its accomplishments in 1957, the United Nations again justified our often expressed faith in it as an effective instrument for preserving the peace and improving the well-being of mankind. We shall continue to give it our vigorous support.

DWIGHT D. EISENHOWER

The White House June 26, 1958

Agreement on Sale to Burma of Military Equipment

Press release 398 dated July 11

The United States and Burma have concluded an agreement for the sale to Burma of military equipment and services against repayment in Burmese currency.

American Ambassador to Burma Walter P. McConaughy has informed the Department of State that an exchange of diplomatic notes took place in Rangoon on June 24 between him and the Burmese Foreign Office, according to which the U.S. Government will sell military equipment, materials, and services to the Government of Burma for payment in Burmese kyats on delivery. The types and quantities of equipment and services involved will be determined by mutual agreement between the two countries.

The Government of Burma affirmed that the equipment and services purchased will be used solely for the maintenance of internal security and the legitimate self-defense of Burma in accordance with the purposes and principles of the U.N. Charter. Burma also undertook not to relinquish title to any of the equipment or services purchased under the agreement except by mutual consent of the two Governments.

The new accord is the third agreement in recent weeks between Burma and the United States. On May 27 an agreement was signed under U.S. Public Law 480 for the sale of agricultural commodities to Burma for local currency, and on June 16 the United States agreed to sell nonmilitary-type police equipment to Burma on deferred payment terms. This recent series of accords is intended to assist Burma in dealing with its economic and internal security problems.

Tax Convention Signed With Norway

Press release 397 dated July 11

A convention between the United States and Norway, modifying and supplementing the convention of June 13, 1949, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income was signed in Oslo on July 10, 1958. This supplementary income-tax convention deals exclusively with tax treatment of dividends flowing between the two countries.

Unlike most of the income-tax conventions to which the United States is a party, the convention of 1949 with Norway did not provide for a reduction of the withholding tax on dividends. The supplementary convention would modify the tax treatment of dividends along the lines of U.S. conventions with other countries. It provides for a maximum withholding rate of 15 percent on dividends paid by a corporation of one country to recipients in the other country. Consistent with the principle in the 1949 convention, this reduced rate would not apply to a recipient of dividends engaged in business through a permanent establishment in the country from which the dividends are paid. The supplementary convention, with certain qualifying limitations, further provides that the withholding tax shall not exceed 5 percent on dividends paid by a corporation in one country to a corporation in the other country. It is also provided that each country exempt from tax the dividends paid to persons other than its citizens, residents, or corporations by a corporation of the other country.

This supplementary income-tax convention with Norway is to become effective with respect to taxable years beginning on or after January 1 following the calendar year in which exchange of instruments of ratification takes place.

U.S. and Brazil Amend Agreement on Civil Uses of Atomic Energy

The U.S. Atomic Energy Commission and the Department of State announced on July 9 (press release 393) that the Governments of Brazil and the United States on that day signed an amend-

¹ Treaties and Other International Acts Series 2358.

ment to the agreement for cooperation between the two countries concerning the peaceful applications of atomic energy. The agreement has been in effect since August 3, 1955.

Assistant Secretary of State Roy R. Rubottom, Jr., and U.S. Atomic Energy Commissioner John F. Floberg signed the amendment for the United States and Chargé d'Aflaires Henrique Rodrigues Valle signed for the Government of Brazil.

This amendment increases from 6 to 15 kilograms the maximum quantity of contained uranium at 20 percent enrichment that may be transferred from the United States to Brazil. This additional fuel is to be used in a training-research reactor to be constructed at the University of Minas Gerais at Belo Horizonte and in a training-research reactor at the University of Brazil, Rio de Janeiro.

Current Actions

MULTILATERAL

Automotive Traffic

Convention concerning customs facilities for touring.

Done at New York June 4, 1954. Entered into force
September 11, 1957. TIAS 3879.

Accession deposited: El Salvador, June 18, 1958.

Aviation

Convention for unification of certain rules relating to international transportation by air, and additional protocol. Concluded at Warsaw October 12, 1929. Entered into force February 13, 1933. 49 Stat. 3000. Accession deposited: Morocco, January 5, 1958.

International Court of Justice

Statute of the International Court of Justice (59 Stat. 1055).

Declaration recognizing compulsory jurisdiction deposited: Belgium, June 17, 1958, subject to ratification. Effective June 17, 1958 (date of deposit of ratification), for a period of 5 years and thereafter until notice of termination is given.²

Japan

Agreement regarding the status of the United Nations forces in Japan, and agreed official minutes. Signed at Tokyo February 19, 1954. Entered into force June 11, 1954. TtAS 2995.

Accession deposited: Turkey, June 18, 1958.

Safety at Sea

Agreement regarding financial support of the North Atlantic ice patrol. Opened for signature at Washington January 4, 1956. Entered into force July 5, 1956. TIAS 3597.

Acceptance deposited: Federal Republic of Germany, July 9, 1958.

BILATERAL

Ceylon

Agreement supplementing the agricultural commodities agreement of June 18, 1958 (TIAS 4042). Effected by exchange of notes at Washington June 30, 1958. Entered into force June 30, 1958.

Denmark

Agreement replacing annex to air transport services agreement of December 16, 1944, as amended (58 Stat. 1458; TIAS 3014). Effected by exchange of notes at Washington July 8, 1958. Entered into force July 8, 1958.

Agreement amending air transport services agreement of December 16, 1944 (58 Stat. 1458). Effected by exchange of notes at Washington October 23 and December 5, 1945, and March 21, 1946. Entered into force March 21, 1946. TIAS 1519.

Terminated: July 8, 1958 (replaced by agreement of July 8, 1958, supra).

Iceland

Agreement supplementing the agricultural commodities agreement of May 3, 1958 (TIAS 4027). Effected by exchange of notes at Reykjavik June 25 and 26, 1958. Entered into force June 26, 1958.

Norway

Agreement replacing annex to air transport services agreement of October 6, 1945, as amended (58 Stat. 1658; TIAS 3015). Effected by exchange of notes at Washington July 8, 1958. Entered into force July 8, 1958.

Sweden

Agreement replacing annex to air transport services agreement of December 16, 1944, as amended (58 Stat. 1466). Effected by exchange of notes at Washington July 8, 1958. Entered into force July 8, 1958.

Agreement amending air transport services agreement of December 16, 1944 (58 Stat. 1466). Effected by exchange of notes at Stockholm December 4, 1945. Entered into force December 4, 1945. TIAS 1550.

Terminated: July 8, 1958 (replaced by agreement of July 8, 1958, supra).

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on July 16 confirmed Charles W. Yost to be Ambassador to the Kingdom of Morocco. (For biographic details, see Department of State press release 386 dated July 7.)

Designations

Philip Clock as Special Assistant to the Deputy Under Secretary for Political Affairs, effective June 30.

Russell P. Drake as Director of the United States Operations Mission in Nepal, effective July 17. (For biographic details, see Department of State press release 411 dated July 17.)

¹Treaties and Other International Acts Series 3303.

² With conditions.

Dwight J. Porter as Special Assistant to the Deputy Under Secretary for Political Affairs, effective July 14.

Appointments

William II. G. FitzGerald as Deputy Director for Management of the International Cooperation Administration, effective July 10. (For biographic details, see Department of State press release 400 dated July 14.)

Closing of Consular Agency at Iquitos

The American Consular Agency at Iquitos, Peru, was closed on May 17, 1958. The Embassy at Lima has assumed the former duties of the Consular Agency.

Embassy in Libya To Move to Benghazi

Department mailing notice dated July 1

As a result of the transfer of the Government of Libya from Tripoli to Benghazi, the major embassy operations in Libya are being moved to Benghazi, which now becomes the main embassy office. Tripoli will be the branch office. It is anticipated that the Ambassador and the necessary staff members will be established in Benghazi during the first part of July.

The consular districts in Libya are unaffected by the transfer.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Trust Territory of the Pacific Islands, 1957. Pub. 6607. International Organization and Conference Series III, 126. 221 pp. 75¢.

The tenth annual report by the United States to the United Nations, covering fiscal year 1957, on the administration of the Trust Territory of the Pacific Islands.

The General Agreement on Tariffs and Trade. Pub. 6629. Commercial Policy Series 167. 81 pp. 30ϕ .

A reproduction of the General Agreement on Tariffs and Trade, as amended by various protocols,

The Sino-Soviet Economic Offensive in the Less Developed Countries. Pub. 6632. European and British Commonwealth Series 51. 111 pp. 60¢.

A document revealing the scope and nature of the Sino-Soviet economic offensive in the less developed countries and an analysis of its motives and objectives.

The Battlefield of Ideas. Pub. 6663. General Foreign Policy Series 127. 21 pp. Limited distribution.

An address made by Assistant Secretary Berding at Washington, D.C., on May 23, 1958, before representatives of national nongovernmental organizations at a conference on foreign affairs arranged by the Department of State.

Atomic Energy—Cooperation for Civil Uses. TIAS 4016, 21 pp. 15¢.

Agreement between the United States of America and Italy, superseding agreement of July 28, 1955—Signed at Washington July 3, 1957. Entered into force April 15, 1958.

Air Transport Services. TIAS 4021. 21 pp. 15¢.

Agreement between the United States of America and Iran—Signed at Tehran January 16, 1957. Entered into force April 17, 1958.

Surplus Agricultural Commodities. TIAS 4022. 14 pp. 10¢.

Agreement, with memorandum of understanding, between the United States of America and China—Signed at Taipei April 18, 1958. Entered into force April 18, 1958.

Check List of Department of State Press Releases: July 14-20

Press releases may be obtained from the News Division, Department of State, Washington 25,

Releases issued prior to July 14 which appear in this issue of the Bulletin are Nos. 388 of July 8, 393 of July 9, and 397, 398, and 399 of July 11.

| No. | Date | Subject |
|------|------|--|
| 400 | 7/14 | FitzGerald designated ICA Deputy Director for Management (rewrite). |
| †401 | 7/14 | Pickering named U.S. representative to U.N. Regional Planning Seminar (rewrite). |
| 402 | 7/15 | U.S. tourists advised against travel in Middle East. |
| 403 | 7/15 | U.SArgentine announcement on operation of Ellsworth Station, Antarctica. |
| †404 | 7/15 | UNESCO Director General visits State Department. |
| †405 | 7/15 | Itinerary for Prime Minister of Ghana. |
| †406 | 7/16 | Murphy: statement on passport legislation. |
| 407 | 7/16 | Chile credentials (rewrite). |
| 408 | 7/16 | Costa Rica credentials (rewrite). |
| *409 | 7/16 | Summary of reports on intervention in Lebanon. |
| -410 | 7/17 | Sweden credentials (rewrite). |
| 411 | 7/17 | Drake designated USOM Director in |

cans from Iraq.

Nepal (rewrite).

†412 7/17 Report of U.N. Special Committee on

413 7/19 Planes chartered to transport Ameri-

the Problem of Hungary.

^{*}Not printed.

[†]Held for a later issue of the Bulletin.

| Antarctica. U. S. and Argentina To Continue Work at Ellsworth Station, Antarctica (text of joint announce- | | Morocco. Yost confirmed as ambassador | 223 |
|--|--------------------------|--|--------------------------|
| ment) | 210 | Mutual Scenity Draka davignutad Director USOM Napol | 000 |
| Argentina U.S. and Argentina Reasiirm Support for Concept of Joint | | Drake designated Director, USOM, Nepal FitzGorald appointed Deputy Director for Management, | 223 |
| Consultations (Eisenhower, Frondizi) | 209 | Natherlands Report in tions Under CATTA Constituted With | 224 |
| U.S. and Argentina To Continue Work at Ellsworth Station, Antarctica (text of joint announcement) | 210 | Netherlands. Renegotiations Under GATT Concluded With Five Countries | 215 |
| Atomic Energy. U.S. and Brazil Amend Agreement on Civil Uses of Atomic Energy | 222 | New Zealand, Renegotiations Under GATT Concluded With Five Countries | 215 |
| Australia. Renegotiations Under GATT Concluded With Flye Countries | 215 | Norway. Tax Convention Signed With Norway | 222 |
| Austria. Renegotiations Under GATT Concluded With Five Countries | 215 | Pakistan, Iran, Pakistan, and Turkey Express Gratitude for U.S. Action in Lebanon (Eisenhower, Pahlavi, Mirza, Bayar) | 183 |
| Brazil, U.S. and Brazil Amend Agreement on Civil Uses of Atomic Energy | 222 | Presidential Documents | |
| Burma. Agreement on Sale to Burma of Military Equipment | 222 | Hran, Pakistan, and Turkey Express Gratitude for U.S. Action in Lebanon President Eisenhower Replies to Soviet Letter on Expression of Responsibility of the Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Letter on Expression of President Eisenhower Replies to Soviet Eisenhower Replies Eisenhower Replies Eisenhower Eisenhower Eisenhower Eisenhower Eisenh | 183 |
| Canada President Eisenhower's Visit to Canada (address to Parlia- | | pansion of Peaceful Trade Between U.S. and Soviet Union President Eisenhower's Visit to Canada | $\frac{200}{204}$ |
| ment and joint statements on defense and export policies | 204 | President Issues Order on Seaway Corporation President Modifies Import Quota on Long-Staple Cotton | $\frac{204}{213}$ |
| President Issues Order on Senway Corporation (text of Executive order) | 213 | United States Dispatches Troops to Lebanon U.S. and Argentina Reaffirm Support for Concept of Joint | 181 |
| Chile. Letters of Credence (Serrano Palma) | 199 | Consultations . U.S. Participation in the United Nations During 1957 . | 209 |
| Congress, The | | Protection of Nationals and Property | 218 |
| United States Dispatches Troops to Lebanon (statement by President Eisenhower, message to Congress, radio-TV statement) | 181 | Planes Chartered To Evacuate Americans From Iraq State Department Advises Americans Against Travel in | 199 |
| U.S. Participation in the United Nations During 1957 (President's letter of transmittal) | 218 | Middle East U.S. Protests Soviet Attacks on Unarmed Transport Plane | 199 |
| Costa Rica. Letters of Credence (Escalante Durán) | 199 | (texts of notes) | 202 |
| Department and Foreign Service | | Publications. Recent Releases | 224 |
| Appointments (FitzGerald) | 224 224 223 223 | Science. U.S. and Argentina To Continue Work at Ellsworth Station, Antarctica (text of joint announcement | 210 |
| Confirmations (Yost) Designations (Clock, Drake, Porter) | 223 | Sweden. Letters of Credence (Jarring) | 199 |
| Embassy in Libya To Move to Benghazi | 224 | Treaty Information | |
| President Eisenhower Replies to Soviet Letter on Expan- | | Agreement on Sale to Burma of Military Equipment Current Actions | 222 |
| sion of Peaceful Trade Between U.S. and Soviet Union (Eisenhower, Khrushchev) | 200 | Tax Convention Signed With Norway | 222 222 222 |
| President Modifies Import Quota on Long-Staple Cotton (text of proclamation) | 214 | U.S. and Brazil Amend Agreement on Civil Uses of Atomic Energy | 222 |
| Renegotiations Under GATT Concluded With Five Countries | 215 | Turkey, Iran, Pakistan, and Turkey Express Gratitude | |
| Tax Convention Signed With Norway | 222 | for U.S. Action in Lebanon (Éisenhower, Pahlavi, Mira, Bayar) | 188 |
| Ecuador. President Ponce Reaffirms U.SEcuadoran Friendship | 209 | U.S.S.R. | |
| Finland. Renegotiations Under GATT Concluded With Five Countries | 215 | President Eisenhower Replies to Soviet Letter on Expansion of Peaceful Trade Between U.S. and Soviet Union (Fischbourg, Whynghelmer) | |
| International Information | 210 | (Eisenhower, Khrushchev) U.S. Protests Soviet Attacks on Unarmed Transport Plane (texts of notes) | 200 |
| Mr. Allen Reports to the President on U.S. Exhibit at Brussels Fair | 011 | United Nations | 202 |
| Herbert Hoover Represents President at Brussels World's Fair | 211 211 | The Lebanese Complaint in the Security Council (Lodge statements and texts of U.S. and Japanese draft resolu- | |
| International Organizations and Conferences. Calendar of International Conferences and Meetings | 216 | U.S. Participation in the United Nations During 1957 | 180 |
| Iran, Iran, Pakistan, and Turkey Express Gratitude for U.S. Action in Lebanon (EisenLower, Pahlavi, Mirza, Bayar) | 183 | (President's letter of transmittal) | 218 |
| Bayar) Iraq. Planes Chartered To Evacuate Americans From | | Allen, George V | 211 |
| Iraq | 199 | | 1.04 |
| Iran, Pakistan, and Turkey Express Gratitude for U.S. Action in Lebanon (Eisenhower, Pahlayi, Mirza, | | Clock, Philip . Drake, Russell P Eisenhower, President . 181, 183, 200, 204, 209, 213, 21- | $\frac{55}{22}$, 4, 218 |
| Bayar) The Lebanese Complaint in the Security Council (Lodge statements and texts of U.S. and Japanese draft | 183 | FitzGerald, William H. G Frondizi, Artoro | 199 224 209 |
| resolutions) United States Dispatches Troops to Lebanon (statement | 186 | Jarring, Gunnar Valfrid | $\frac{500}{211}$ |
| by President Eisenhower, message to Congress, radio-TV statement) | 181 | Lodge, Henry Cabot | $-200 \\ -180$ |
| $ \begin{array}{ll} \textbf{Middle East.} & \textbf{State Department } \Delta \textbf{dvises Americans Against} \\ \textbf{Travel in Middle East.} $ | | Pahlavi, Mohammad Rezaz Shah | 183 183 |
| Military Affairs. P.S. Protests Soviet Attacks on Unarmed | 199 | Ponce Eurique, Camilo Porter, Dwight J Sorrang Palma, Lovi | 209 224 |
| Transport Plane (texts of notes) | 202 | Serrano Palma, José Yost, Charles W | $\frac{199}{223}$ |



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August 11, 1958

| PRESIDENT EISENHOWER AND PREMIER KHRUSHCHEV EXCHANGE VIEWS ON HOLDING SECURITY COUNCIL MEETING ON MIDDLE EAST AT SUMMIT LEVEL | |
|---|-----|
| July 19 and 22 Exchange of Letters | 229 |
| July 23 and 25 Exchange of Letters | 233 |
| DEPARTMENT URGES CONGRESS TO APPROPRIATE | |
| FULL AMOUNT AUTHORIZED FOR MUTUAL | |
| SECURITY • Statements by Secretary Dulles and Under | |
| Secretary Dillon | 239 |
| DEPARTMENT ASKS PROMPT ACTION ON JOINT | |
| U.SEURATOM PROGRAM • Statement by Under | |
| Secretary Dillon | 247 |
| ADMINISTRATION RECOMMENDS NEW PASSPORT LEGISLATION | |
| The President's Message to Congress | 250 |
| Secretary Dulles' Letter of Transmittal | 250 |
| Statement by Deputy Under Secretary Murphy | 251 |
| CURRENT TRENDS IN EUROPEAN MIGRATION • | |
| Article by George L. Warren | 255 |
| | |

For index see inside back cover

THE DEPARTMENT OF STATE



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August 11, 1958

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President Eisenhower and Premier Khrushchev Exchange Views on Holding Security Council Meeting on Middle East at Summit Level

Following are two exchanges of correspondence between President Eisenhower and Nikita Khrushehev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics, together with a White House statement on Premier Khrushehev's letter of July 19.

FIRST EXCHANGE

The President to Premier Khrushchev

White House press release dated July 22

July 22, 1958

Dear Mr. Chairman: I have received your communication of July 19.

May I assure you that the establishment and maintenance of a just peace is the dominant influence in American policy. I cannot agree that the United States has acted in Lebanon in a manner calculated to disturb the peace. Rather it is motivated by the purpose of helping stop acts of violence, fomented from without, designed to destroy the genuine independence and integrity of that small nation. Such a process, if unchecked, would have grave implications for all small nations everywhere.

The manner in which you have chosen to express yourself is hardly calculated to promote the atmosphere of calm reasonableness which, you correctly say, should replace the presently overheated atmosphere.

I am not aware of any factual basis for your extravagantly expressed fear of the danger of general war.

What has happened in regard to Lebanon is this:

On Monday, July 14, the lawful Government of Iraq was violently overthrown. On the same

day a comparable plot against the Kingdom of Jordan was discovered and barely thwarted. The Government of Lebanon, which had already for some months been subjected to indirect aggression from without, appealed to the United States for instant assistance. In the light of the developments in neighboring Iraq and Jordan, it felt that nothing less than immediate help would make it possible to preserve the independence and integrity of Lebanon. The United States responded to this appeal. We knew that the plea was based upon solid facts that showed that Lebanon was gravely menaced.

Surely, it is not "aggression" thus to help a small nation maintain its independence.

You speak of "armed conflict in the Near or Middle East". There has been the bloody coup in Iraq, the plot to assassinate those who compose the Government of Jordan, and the civil strife in Lebanon fomented from without. Otherwise, I know of no "armed conflict". Unless those of aggressive disposition are far gone in folly, they would not start war because Lebanon, with a population of about 1½ million, is helped to maintain its integrity and independence. The real danger of war would come if one small nation after another were to be engulfed by expansionist and aggressive forces supported by the Soviet Union.

We do not want to see a repetition of the progressive destruction of the independence of small nations which occurred during the 1930s and which led to the Second World War. To be acquiescent in aggression, be it direct or indirect, is not the road to peace.

This does not mean that the United States is

August 11, 1958 229

¹ Bulletin of Aug. 4, 1958, p. 181.

dedicated to a perpetuation of the status quo in the Arab world. The United States recognizes and sympathizes with the yearning of the Arab peoples for a greater nationalistic unity. For example, the United States promptly recognized the United Arab Republic,² bringing together Egypt and Syria, as soon as it was apparent that the change was accepted by the people concerned and after the new government had undertaken to meet the normally applied international standards.

But it is one thing to change the international status quo by orderly and peaceful processes, and another thing to change it by indirect aggression. Such processes cannot be reconciled with a peaceful world or with the ideals of the United Nations which recognizes the equal rights of nations large and small and the dignity and worth of the human person.

The action of the United States in relation to Lebanon was fully in accord with the accepted principles of international law and with the Charter of the United Nations. The Government of Lebanon was one which had been chosen by freely held, peaceful, nationwide elections only a little over a year ago. The appeal to the United States was made by the President of Lebanon with the full approval of the Cabinet. When last week the Soviet Union introduced in the United Nations Security Council a Resolution condemning our action in Lebanon, that Resolution received only one vote-that of the Soviet Union itself. I also note that efforts were made within the Security Council to provide Lebanon with increased protection from the United Nations so as to preserve its integrity and independence, thus permitting United States forces promptly to be withdrawn. There were two such proposals, each defeated by the one vetoing vote of the Soviet Union.3

How does the Soviet Union reconcile its allegation that United States forces in Lebanon endanger world peace with the veto of these two proposals?

Am I to conclude, Mr. Chairman, that the Soviet Union seeks by imputing to others war motives and itself boasting of its nuclear and ballistic missile power, to divert attention from

the steady erosion of the independence of small nations? Are we, as civilized peoples, to accept the increasing use of violence, murder and terrorism as instruments of international policy? If so, this constitutes the real danger to peace. The United States will steadfastly oppose that danger and seek to strengthen the established processes of international law and order.

The Soviet Union, by its constant abuse of its veto power in the Security Council—its veto of today was the 85th—would tear down, and not strengthen, the orderly processes which the nations have established for the maintenance of

international peace and security.

Your present proposal seems further calculated to derogate from the authority and prestige of the United Nations. What you propose amounts in effect to five nations, without sanction of the United Nations and without conformity with its Charter, reaching what you call "recommendations" regarding the Near and Middle East which would then be submitted to the United Nations Security Council. But in reality such so-called "recommendations" would be decisions and the process would in effect make the United Nations into a "rubber stamp" for a few great powers.

Furthermore, Mr. Chairman, when procedures are sought to be improvised to meet what is alleged to be a situation of great urgency, this can scarcely be expected to save time. It raises a whole series of new problems which must be considered by the various nations that might consult together, and by others which might feel that they were improperly omitted and which are deeply concerned with the Near and Middle East.

If, indeed, the Soviet Union seriously believes that there is an imminent threat to world peace, it is bound by the United Nations Charter to take the matter to the Security Council. By Article 24 of the United Nations Charter, the Soviet Union, with other members of the United Nations, has conferred on the Security Council "primary responsibility for the maintenance of international peace and security", and all the members have agreed that, in these matters, it "acts on their behalf." It is also agreed that that Council has the responsibility to "determine the existence of any threat to the peace" and to "de-

² Ibid., Mar. 17, 1958, p. 418.

³ For background, see ibid., Aug. 4, 1958, p. 186.

cide what measures shall be taken . . . to maintain or restore international peace and security". Surely this solemn undertaking ought to be respected.

The Security Council is already dealing with certain phases of the problem alluded to by your note. If you or we believe that other aspects of this problem or other problems should be urgently dealt with in the interest of peace, then it lies open to any of us to enlarge the scope of the Security Council consideration. Furthermore, under the Charter, members of government, including Heads of Government and Foreign Ministers, may represent a member nation at the Security Council. If such a meeting were generally desired, the United States would join in following that orderly procedure.

I do not, of course, exclude the discussion, outside the United Nations, of world or regional problems, not posing alleged imminent threats to the peace. I cannot but deplore the persistent refusal of your Government for so many months to agree to the adequate preparation of a "summit" meeting at which we could exchange considered views on the great problems which confront the world. The Ambassadors of France, the United Kingdom and the United States were negotiating at Moscow with your Foreign Minister to develop a list of topics which might lend themselves to considered and useful discussion at a summit meeting. These negotiations were broken off by your Government on June 16th.

In conclusion, I venture to express in most earnest terms my hope that the Soviet Government will unite with us for real peace. The longing of mankind for peace is too precious to be used for ulterior purposes. I hope that ways can be found to act for peace in accordance with the standards prescribed by the Charter of the United Nations. All the world, I believe, knows that peace with justice is the dedication of the American nation. We have in the past sacrificed greatly for that devotion. We have loyally complied with the pledge we made, by the United Nations Declaration of January 1, 1942, to renounce any aggrandizement for ourselves. Just as we shall resist any efforts to use love of peace to mask aggression, so we shall equally never fail to take any step, at any sacrifice, which will genuinely promote the cause of peace and justice in the world.

Sincerely,

DWIGHT D. EISENHOWER

White House Statement 5

The United States is carefully studying the Soviet note and intends promptly, after appropriate consultations, to make a calm and constructive response. It will not undercut and, we hope, will enhance the work of the United Nations, which has been so well begun. We think it vital that the work of the United Nations Security Council energetically go on.

Premier Khrushchev to the President

Unofficial translation

DEAR MR. PRESIDENT: The course of the recent events shows that we are now living through one of the most responsible moments of history, that the world has been placed on the brink of a catastrophe. Alarm is gripping the minds of people in all continents, popular masses are coming into motion, realizing as they do that a war conflagration, wherever it begins, may spread to all the world.

As allies in past battles, we know, although in different degrees, what the blood and ruins of the past world war were like. We realize what horrors a new war can bring to mankind, and we have no moral right to play with fire in the powder magazine into which the world has been turned because of the arms race.

Under these conditions the armed intervention started by the United States in Lebanon, and then by Britain in Jordan, and the danger of an intervention looming large over Iraq and all the states of the Arab world, may bring about extremely dangerous and unpredictable consequences, can set off a chain reaction which it would be impossible to arrest.

We address you not from positions of intimidation, but from positions of reason. If there can be any talk of intimidation, it should be referred to the irresponsible military leaders of the United States, such as the commander of the American Sixth Fleet, who are now diligently engaged in it. With a zest worthy of a better cause, he pronounces such provocative speeches that if he were a citizen of countries which have prohibited military propaganda, he would have been arraigned before a court, or submitted to a medical check-up and placed in a madhouse because such statements can be made only by a criminal or a person out of his senses. The laurels of this naval commander have deprived of sleep the Secretary for Defense also.

August 11, 1958 231

⁴ For a Department announcement of June 16, see *ibid.*, July 7, 1958, p. 12.

¹Read to news correspondents on June 20 by James C. Hagerty, Press Secretary to the President (White House press release).

We know that the United States has atomic and hydrogen bombs, we know that you have an air force and navy. But you are also well aware that the Soviet Union, too, possesses atomic and hydrogen bombs, an air force and a navy, plus ballistic missiles of all types, including intercontinental ones. However, we believe that at this momentous hour it would be more reasonable not to bring the heated atmosphere to a boiling point, it is sufficiently inflammable as it is. The statesmen of countries must seek for solutions not by means of fanning war psychosis, but reasonably and calmly, so as to rule out war and insure world peace.

What do the United States and Great Britain want to achieve by landing their forces in Lebanon and Jordan?

You explain the armed intervention in Lebanon by President Chamoun's request to help him combat aggression. But an internal struggle is under way in Lebanon, and the events in that country prior to the landing of the American troops could in no way be classed as direct or indirect aggression by other states, a fact confirmed by the United Nations observers and the United Nations Secretary General. An internal struggle was going on there and you yourself have confirmed this.

The principle of noninterference of other states in the internal strife going on in this or that country is a generally recognized standard of international law. It is not for me to tell you that the American people and their government categorically objected in the past to foreign interference in the American civil war, in the struggle between the South and the North. I do not even mention the fact that in the case of Lebanon, the Lebanese President's appeal to the United States was not supported by the Parliament of that country, and the speaker of l'arliament strongly protested against the American armed intervention. Consequently, the "invitation" sent by Chamoun has no constitutional power.

The same situation prevails in Jordan, where the British troops have been sent not to uphold the interests of the people and the country, but to save the monarchy. The rulers of Lebanon and Jordan, who have lost the support of the people in their countries, and who cannot rely on their armies which refuse to support antinational regimes, have decided to look for cover in the shadow of the Anglo-American guns, to lean back on the interventionist forces. But history still does not know any case when the throne and government could be propped up by bayonets, particularly foreign ones. The twentieth century leaves no illusions on this score.

The military intervention of the United States and Britain in Lebanon and Jordan has been undertaken at the request of irresponsible rulers who do not enjoy the support of their peoples and act against their will. And such a request was enough for American and British troops to be sent to Lebanon and Jordan in circumvention of the United Nations, which was informed post factum of this aggressive act.

It is also said that the American and British troops have invaded Lebanon and Jordan to defend the lives and property of American and British citizens there. But this is a very old trick of the colonialists. It will mislead no one, the more so because everyone knows that no

foreigners, including Americans and Britons, were hurt or threatened either in Lebanon or Jordan.

You, Mr. President, often make public statements in support of the United Nations, but by their actions in Lebanon and Jordan the governments of the United States and Great Britain are dealing a body blow at this international organization. At such a momentous hour in the life of the peoples, the United Nations has actually been pushed out of the way with the bayonets of the American and British forces.

The aggressors are now playing with fire. It is always easier to start a fire than to put it out. But once kindled, it is better put out at the very beginning than when the flame flares up and sets afire the neighboring homes. The most correct solution in the present conditions would be to withdraw the occupationist forces immediately from the Middle East and to give the peoples of this area an opportunity to decide their destiny for themselves.

At this grim period of history, when we cannot afford to wait another minute, the Soviet Union which has always come out for world peace, against war, for peaceful coexistence, cannot remain indifferent to what is happening in the Middle East, next to its borders. The Soviet Union cannot keep aloof when the question of war or peace is being decided.

This is why the Government of the Soviet Union proposes to call immediately a conference of the heads of government of the U.S.S.R., the United States, Britain, France and India, with the participation of the United Nations Secretary General, to take urgent measures to stem the beginning military conflict.

We propose to meet on any day, at any hour, the sooner the better. You are perfectly aware that history has left us a small margin in which to avert war, to prevent the annihilation of many millions of people, to prevent the destruction of great material and cultural values.

In its statements the Government of the Soviet Union has set forth sufficiently clearly its views regarding the peaceful solution of urgent Middle Eastern problems. The Soviet Union believes that a solution can and must be found conforming to the vital interests of the Middle Eastern peoples, insuring their sovereign rights, and with due regard for the interests of all states associated with the countries of this area.

The Western governments say that they are interested in using oil and other raw material resources in this area of the world. But the nations of this area do not deny this opportunity to the Western powers. They demand only one thing; that this problem should be solved on an equitable and mutually profitable commercial basis which is the most reasonable principle.

The Soviet Government believes that the conference of the heads of government of the U.S.S.R., the United States, Britain, France and India could consider also the question of discontinuing arms deliveries to the Middle East, as earlier proposed by the U.S.S.R.

We deem it necessary that this summit conference should work out concrete recommendations to end the military conflict in the Middle East and submit them to the Security Council so that this United Nations body would study them with the participation of representatives from the Arab states.

The question of the conference's date and place cannot be an obstacle to its convocation. The Soviet Government is prepared to agree to any place, including Washington, if for some reason Geneva or another capital of a neutral country will not suit the Western powers. The main thing is not to wait, not to waste priceless time because cannons are already starting to speak. We propose to meet at Geneva on July 22.

The most reasonable act of our governments in the prevailing conditions would be to convene a summit conference to settle the military conflict which has broken out in the Middle East. This would be a priceless contribution to the cause of consolidating peace and international security. This would be an irrefutable proof that the idea of peaceful and not military solution of questions can and must triumph throughout the world. The ending of the aggression in the Middle East would be wholeheartedly greeted by all the peoples irrespective of color, religious convictions or political views.

In conclusion 1 wish to lay special emphasis on the fact that the question of whether the conflict in the Middle East will be settled through war or peace now depends on your Government, on you personally, Mr. President.

The Soviet Government expects that the Government of the United States and you, Mr. President, will understand this appeal correctly, that it will meet with your positive response and readiness to turn the course of events radically from the road of war to the road of peace.

I have simultaneously approached on the above question the Prime Minister of Great Britain, Mr. Macmillan, the President of the Council of Ministers of France, Mr. de Gaulle, and the Prime Minister of India, Mr. Nehru.

Respectfully yours,

N. KHRUSHCHEV

Moscow, July 9, 1958.

SECOND EXCHANGE

The President to Premier Khrushchev

White House press release dated July 25

July 25, 1958

Dear Mr. Chairman: I have studied your letter of July 23. I find in it apparent misunderstandings of the views expressed in my letter of July 22, which I would request you to read again more carefully.

I then said that if, despite the facts established in the recent meetings of the Security Council, your Government still desires to allege that the situation in Lebanon constitutes an imminent danger to peace in the Middle East, the proper forum for appropriate discussion is the United Nations Security Council. I am glad that you now recognize the responsibility of the United Nations and have withdrawn your original proposal which would have gravely undermined the prestige and authority of the United Nations.

My letter pointed out that the Charter of the United Nations authorizes members of government, and that of course includes Heads of Government and Foreign Ministers, to represent a member nation at the Security Council and that if such a meeting were generally desired, the United States would join in following that orderly procedure. It is, of course, not yet certain that such a meeting is in fact "generally desired", although that may prove to be the case.

You now make specific suggestions dealing with the composition of the Security Council and the conditions under which nations other than members of the Council may participate in discussions of the Council. My letter to you of July 22 urged that one of the advantages of proceedings in the Security Council is that there are established rules on these matters and it is accordingly not necessary to rely on improvising. I pointed out that when rules of this kind are sought to be improvised, there is raised a whole series of new problems, notably as to the participation and nonparticipation of various states. The United States will adhere, in these respects, to the Charter, which lays down the conditions under which nations which are not members of the Council may participate in the discussions of the Council.

As to the agenda, we agree that it should be limited to a discussion of the problems of the Middle East, including the causes of those problems. I would, however, be lacking in candor if I did not make clear that to put peace and security on a more stable basis in the Middle East requires far more than merely a consideration of Lebanon and Jordan. These situations are but isolated manifestations of far broader problems. In my opinion the instability of peace and security is in large measure due to the jeopardy in which small nations are placed. It would be the purpose of the United States to deal with the specific incidents you raise within that broad context. To do otherwise would be to be blind to the teaching of history.

You will recall, Mr. Chairman, that World War II was brought about by a series of acts of direct and indirect aggression against small nations. In March 1939 the then head of the Soviet Communist Party pointed out that the failure of nonaggressive nations, among which he named Britain and France, to check direct or indirect aggression against small countries meant "giving free rein to war and, consequently, transforming the war into a world war". That forecast unhappily proved true.

You will also recall the 1950 "Peace through Deeds" Resolution of the General Assembly 6 which condemns the "fomenting of civil strife in the interest of a foreign power" as among "the gravest of all crimes".

It is my earnest hope that through the United Nations Security Council steps can be taken in regard to the Middle East which, by making peace more secure there, will help promote it elsewhere.

In conclusion, I suggest that the Permanent Representatives of the members of the United Nations Security Council in New York should exchange views, under arrangements made by the Secretary General, to ascertain that a meeting of the kind and under conditions I suggest is generally acceptable. If so they should also agree upon a date which would be generally satisfactory. The date of July 28 would be too early for us.

I am today authorizing our own Permanent Representative to act in this sense.

Sincerely,

DWIGHT D. EISENHOWER

Premier Khrushchev to President Eisenhower

Unofficial translation

Mr. President: I received your reply to my message of July 19th. I also received replies from Mr. Nehru, Mr. Macmillan and Mr. de Gaulle to my messages to them of July 19.

At the present time we should not like to go into polemics in regard to the reasons which have called forth tension and created a threat to peace in the region of the Near and Middle East. On all these questions the point of view of the Soviet Government was set forth in my message of July 19. I wish only in the most decisive fashion to reject the assertion contained in your message that the Soviet Union supports expansionist and aggressive forces in the world. Now, particularly after the armed intervention of the USA in Lebanon and Great Britain in Jordan, no one can retain any doubts if they existed in regard to who in fact is carrying on an ex-

pansionist and aggressive policy which threatens peace and security of the peoples.

The Soviet Government considers that at the present time the threat to general peace is so serious that it is necessary not to lose time in polemics which might only postpone the achievement of agreement (but) to take all possible and most urgent measures in order to prevent the beginning of a world conflict. We should not underestimate the danger of such a conflict inasmuch as there are forces which stand for the broadening of the zone of aggression and in the first instance are nurturing plans of a military attack on Iraq.

Precisely in order to prevent the beginning of a world conflict we proposed the immediate calling of a conference of the chiefs of state of USSR, USA, Great Britain, France and India with the participation of the Secretary General of the UN, Mr. Hammerskjold. We note with satisfaction that the proposal of the Soviet Government about a meeting of the chiefs of state has met from your side a positive response. The Premier of Great Britain, Mr. Macmillan, the Premier of the Council of Ministers of France, Mr. de Gaulle, and the Premier of India, Mr. Nehru, have supported the desirability of such a meeting, for which we express to them our gratitude.

The views relating to the calling of a conference of the chiefs of government within the framework of the Security Council expressed by Premier Macmillan of Great Britain are acceptable to us. The Soviet Government in its message of July 19 already noted that the Security Council should not be bypassed. Considering the necessity to take urgent decisions in the interests of the preservation of peace, we consider that the form of meeting of the chiefs of government in the given instance should not have a decisive significance. It is important that this meeting should take place as early as possible in order that it might be possible more quickly to find a correct decision which would contribute to the preservation and strengthening of peace, which would lead to calm in the region of the Near and Middle East and would contribute to a lessening of tensions in the relations between states.

We also are in agreement with that approach to the work at this special session of the Security Council which Mr. Macmillan proposes. We agree that at this special session of the Security Council no resolutions whatever should be introduced unless they will flow from a previous agreement and that the goal will consist in the achievement of an agreement and not in the fixing of disagreement by the method of voting.

In this regard the Soviet Government proceeds from the fact that the chiefs of governments in the aim of achieving the quickest concrete decisions in the Interests of the preservation and strengthening of peace will have the opportunity for joint consultation not only in an official procedure.

Inasmuch as in the given instance the question revolves around the consideration in the Security Council not of the usual current questions but of questions of particular importance from the viewpoint of the preservation of peace and the guarantee of security, we consider that in this case it would be useful to enlist for

⁶ For text, see Bulletin of Nov. 13, 1950, p. 767.

participation in the work of the Security Council India—the largest Asiatic country which has received universal recognition as a state out for the strengthening of peace. Its participation would be really useful in contrast to the participation of one of the so-called permanent members who factually represents no one. We consider it necessary that in the work of the Security Council there should take part the representative of India in the person of its Premier J. Nehru who has agreed to participate in a meeting of the chiefs of state.

In your message, Mr. President, you say that if a special session of the Security Council with the participation of the chiefs of governments is desired by all, then the USA will join in this orderly procedure.

As regards the Soviet Union, inasmuch as Premier Macmillan of Great Britain, the chairman of the Council of Ministers of the French Republic, Mr. de Gaulle, the Premier of India, Mr. Nehru, and you, Mr. President, as is seen from your message agree to participate personally in the special session of the Security Council, the Soviet Union will be represented at this session by the chairman of the Council of Ministers of the USSR.

It goes without saying that representatives of the interested Arab states must be brought into a discussion of the question in the Security Council with the participation of the chiefs of government of the above mentioned five powers.

The Soviet Government should like to know as quickly as possible the opinion of the Government of the USA for the calling of the Security Council with the participation of the chiefs of governments. On our part we submit the proposal to begin such work in the Security Council on July 28 in New York.

Sincerely,

N. Khrushchev

July 23, 1958

President Acknowledges Letter From President of Lebanon

The White House on July 27 made public the following exchange of letters between President Eisenhower and Camille Chamoun, President of the Republic of Lebanon.

White House press release dated July 27

President Eisenhower to President Chamoun

JULY 25, 1958

Dear Mr. President: I wish to thank you for your message of July 21 in which you express personally and on behalf of Lebanon gratitude for the United States' affirmative response to Lebanon's call for assistance. The purpose of our

action was to help your country preserve its independence, in accord with the inherent right of nations to cooperate for self-defense. Our countries have long enjoyed close and friendly relations, and I look forward to further cooperation between the American people and the people of Lebanon in furthering the principles and purposes of the United Nations Charter.

Sincerely,

DWIGHT D. EISENHOWER

His Excellency

CAMILLE CHAMOUN

President of the Republic of Lebanon Beirut

President Chamoun to President Eisenhower

July 21, 1958

DEAR MR. PRESIDENT: I wish to express to you on my own personal behalf and on behalf of Lebanon, and through you to the Government and people of the United States, our profound gratitude for responding to my call for help, based on a decision by the legitimate Government of Lebanon, through the landing of United States forces in Lebanon to help us defend our independence and integrity in conformity with Article 51 of the United Nations Charter.

I want to assure you, Mr. President, that we are both happy and honored to find ourselves side by side with the great American nation defending not only our independence and integrity against direct aggression, but the high principles in which the free world believes and by which it lives.

Faithfully yours,

CAMILLE CHAMOUN

United States and U.S.S.R. Exchange Aide Memoire on Geneva Talks

U.S. AIDE MEMOIRE, JULY 261

Press release 424 dated July 26

The Government of the United States is gratified to note the position of the Government of the USSR in its aide-memoire of July 9 that the task of the experts meeting in Geneva will be carried forward toward the objective of reaching a successful conclusion on the methods of detecting possible violations of an agreement on the cessation of nuclear tests.

August 11, 1958 235

¹ For background, see Bulletin of Aug. 4, 1958, p. 181.

¹ Delivered on July 26 by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs.

With respect to the question of whether the United States agrees "that the meeting of the experts must be subordinated to a solution of the task of universal and immediate cessation of tests of nuclear weapons" President Eisenhower in his letter of April 28 to Chairman Khrushchev 2 defined the relationship of technical studies to agreement on disarmament in the following terms:

The United States is determined that we will ultimately reach an agreement on disarmament. In my letter of April eighth, I again proposed an internationally supervised cutoff of the use of new fissionable materials for weapons purposes and the reduction of existing weapons stocks by transfer to peaceful purposes; an agreed limitation or suspension of testing; "open skies", and the international use of outer space for peaceful purposes.

As an effective means of moving toward ultimate agreement on these matters and other disarmament matters, I proposed that we start our technical people to work immediately upon the practical problems involved. These studies were called for by the United Nations General Assembly. They would include the practical problems of supervision and control which, you and I agree, are in any event indispensable to dependable disarmament agreements. . . .

You say that we must first reach a final political agreement before it is worthwhile even to initiate the technical studies. But such studies would, in fact, facilitate the reaching of the final agreement you state you desire.

For example, why could not designated technical people agree on what would be required so that you would know if we violated an agreement to suspend testing and we would know if you should commit a violation?

Would not both sides be in a better position to reach agreements if we had a common accepted understanding as to feasibility of detection or as to method of inspecting against surprise attack?

Studies of this kind are the necessary preliminaries to putting political decisions actually into effect. The completion of such technical studies in advance of a political agreement would obviate a considerable period of delay and uncertainty. In other words, with the practicalities already worked out, the political agreement could begin to operate very shortly after it was signed and ratified.

I re-emphasize that these studies are without prejudice to our respective positions on the timing and interdependence of various aspects of disarmament.

This remains the position of the United States. It was in reply to this letter of April 28 that Chairman Khrushchev on May 9 ° stated that the Soviet Government agreed to having both sides designate experts for the study which is now in progress.

SOVIET AIDE MEMOIRE, JULY 9'

Unofficial translation

Having acquainted itself with the aide memoire of the Government of the USA of June 30,5 the Soviet Government cannot but draw the conclusion that the Government of the USA avoids giving a definite answer to the question to which the Soviet Government addressed itself in its aide memoire of the 25th 6 and 28th 5 of June, namely: Does the Government of the USA agree that the meeting of the experts must be subordinated to a solution of the task of the universal and immediate cessation of tests of nuclear weapons?

In the aide memoire of the Government of the USA it says that in the exchange of communications between the two Governments it was defined that the task of the experts is to study the methods of detection of possible violations of an agreement for the cessation of nuclear tests. However, at the same time the Government of the USA avoids the chief question—for what and for what purpose an examination of the mentioned methods of detection should be carried out by the experts. The exchange of communications which took place between the two Governments gave full basis to consider that agreement was reached not only about what the experts would deal with but also with what goal they will examine the methods of detection of nuclear explosions, what task is pursued by this examination.

A decision about a cessation of tests of nuclear weapons, as the Soviet Government has already declared, must of course be taken by the Governments themselves and not by the experts. However, in working out the methods of control the conference of experts must subordinate its work to the task of the immediate and universal cessation of nuclear weapons tests by all powers who dispose of these weapons. If one proceeds from the position which the Secretary of State of the USA, Mr. Dulles, declared on the 17th of June and which is mentioned in the aide memoire of the Government of the USA of June 26th ⁶ and 30th, then it would be difficult to justify the convening of this conference inasmuch as the American side does not connect its work with the task of cessation of tests of nuclear weapons.

In connection with such a position of the USA the legitimate question arises: for what (purpose) the proposal was made in relation to a conference of experts inasmuch as their work is not connected with the chief goal—universal immediate cessation of experimental explosions of atomic and hydrogen weapons? Is it not made in order further to try to justify a refusal to cease tests of nuclear weapons by references to the impossibility of effective control for the cessation of tests, although it is already now clear that such control is entirely possible (sic).

² BULLETIN of May 19, 1958, p. 811.

³ Ibid., June 9, 1958, p. 940.

^{&#}x27;Handed to American Ambassador Llewellyn E. Thompson at Moscow on July 9 by Soviet Foreign Minister Andrei A. Gromyko.

⁶ Bulletin of July 21, 1958, p. 101.

⁶ Ibid., July 14, 1958, p. 47.

The Soviet Government has already drawn attention to the fact of the great significance in connection with the work of the conference of experts which it ascribes to the immediate cessation of tests of nuclear weapons by all powers which dispose of these weapons. The Soviet Government considers that the conference of experts must be subordinated precisely to a solution of this task.

If the conference of experts does not give positive results, then this would be a big blow to the hopes of all humanity expecting that the USA and Great Britain following the Soviet Union will also immediately cease tests of nuclear weapons. In this case the responsibility would lie on that side which would make impossible the achievement of these positive results. As regards the Soviet Union, from its side there has not been and will not be any lack of efforts directed to the most rapid achievement of positive results in the work of the experts.

The Soviet Government expects that the Government of the USA will make an unambignous declaration concerning the fact that the work of the conference of experts must be subordinated to a solution of the chief task—the immediate universal cessation of tests of nuclear weapons.

Secretary Dulles To Confer With Chancellor Adenauer

The Department of State announced on July 23 (press release 417) that Secretary Dulles will stop in Bonn, Germany, for a few hours on July 26, to confer with Chancellor Konrad Adenauer. The Secretary will be en route to attend, as the U.S. observer, the regularly scheduled Ministerial Council meeting of the Baghdad Pact at London on July 28.

The Secretary and the Chancellor, who have not met since the NATO meeting in Paris last December, have agreed that it would be mutually profitable for them to have a personal exchange of views on the world situation at this particular time.

The Secretary will return to Washington on July 29.

U.S. Cancels Demonstration of Reduced Fallout

Press release 425 dated July 26

The United States Mission to the United Nations on July 26 informed the United Nations

Secretariat and delegations involved that the United States Government had decided to cancel the demonstration shot of a weapon with reduced fallout, to which invitations were extended April 24.1

The United Nations Secretariat and the delegations were informed that

... the earlier invitation noted that the program would be conducted in July or early August. The earliest possible date on which this detonation of a nuclear device could occur is August 25. There is the possibility, however, that because of inclement weather the explosion might be even further delayed. This would mean that those scientists who are anxions to attend the Second International Conference on the Peaceful Uses of Atomic Energy scheduled to convene at Geneva on September 1 would be prevented from doing so. They would also have to miss the Conference should the demonstration occur on August 25 as scheduled, for the return trip to the United States and the period to be spent at the University of California Radiation Laboratory for analysis of samples taken at the test site would run into the month of September. Accordingly, the Government of the United States has refuetantly decided to cancel the demonstration test explosion.

The Government of the United States wishes to invite qualified scientists to participate in a laboratory demonstration to permit an examination of data concerning this development. This laboratory demonstration program can be convened within 60-90 days. The date, of which you will be notified as soon as possible, will be so selected that there will be no conflict with other international scientific conferences.

The news media representatives of the United States and other countries who were invited to observe the demonstration shot will be invited to the proposed laboratory demonstration.

President Signs Bill on Canal Zone Working Conditions

Announcement of Signing

Press release 422 dated July 25

The signing on July 25 by the President of legislation paving the way to equal working conditions in the Canal Zone for United States and Panamanian employees fulfills, as far as specific legislation is concerned, all United Nations obligations to Panama under the Treaty of Mutual

August 11, 1958 237

⁴ For background, see Bulletin of Apr. 14, 1958, p. 601, and May 12, 1958, p. 763.

Understanding and Cooperation of 1955 $^{\scriptscriptstyle 1}$ between the two countries.

S. 1850 authorizes and directs U.S. Government agencies in the Canal Zone to establish uniform wage seales and retirement-benefit systems and to afford equality of opportunity for employment and participation in employee training programs. In addition to the 14,000 Panamanians who work in the Canal Zone, the general economy of Panama is also expected to benefit from the new law. Last year Panama earned about \$54 million in dollar exchange through direct purchases and employment payments by Canal Zone agencies.

To comply with other provisions of the treaty the United States since 1955 has transferred to Panama land and other real property valued at approximately \$25 million, has appropriated \$20 million for construction of a high-level bridge at Balboa, and has more than quadrupled to a total of \$1,930,000 its annuity payments.

Message to President of Panama

Press release 423 dated July 26

President Eisenhower on July 25 sent the following message to President Ernesto de la Guardia, Jr., of Panama following signature of S. 1850, which paves the way to equal working conditions in the Canal Zone for United States and Panamanian employees:

"I am pleased to inform your Excellency that I have today affixed my signature to an Act which authorizes and directs United States Government agencies in the Canal Zone to conform their employment and wage practices to the principles agreed upon and set forth in Item One of the Memorandum of Understandings Reached, attached to the Treaty of Mutual Understanding and Cooperation of 1955, between the United States and Panama. By this Act the United States completes the fulfillment of its commitments to Panama under the Treaty of 1955, so far as specific legislation may be required.

"I shall issue an Executive Order shortly which will establish the administrative criteria by which

operation of the provisions of the Act will be facilitated.

"I sincerely hope that enactment of this legislation forges one more link in the long chain of friendship, cooperation and mutual respect that has traditionally bound our Governments and citizens together."

Development Loan Fund Makes First Private Business Loan

Press release 421 dated July 25

The Development Loan Fund on July 25 signed its first agreement with a foreign private business firm. The loan is for \$2.75 million, which will be used to assist in the purchase and installation of equipment in a new cement plant being constructed by the Asia Cement Corporation on the island of Taiwan in the Republic of China.

The loan agreement was signed for the Asia Cement Corporation by Y. Z. Hsu and James M. Lee, managing directors of the corporation, and for the United States by Robert B. Menapace, deputy managing director of the Development Loan Fund. The \$2.75 million loan is at an interest rate of 5½ percent with provisions for repayment in 20 semiannual installments.

Mr. Hsu and Mr. Lee, while in the United States arranging for the loan, are visiting several American cement plants and plants manufacturing cement-making machinery to look at equipment and installations of the type they plan for the new plant in Taiwan.

The Development Loan Fund has authorized two other loans for the economic development of the Republic of China, and it is expected that agreements on them will be signed in the near future. The one is a loan of \$3.2 million for the Taiwan Railway Administration to be used to assist in the purchase of diesel locomotives and the purchase and installation of a central traffic-control system on the Taiwan railroads. The second loan is for \$686,000 to the Land Bank of Taiwan, which will be used in the development of fisheries.

¹Treaties and Other International Acts Series 3297 (for text, see Bulletin of Feb. 7, 1955, p. 237).

Department Urges Congress To Appropriate Full Amount Authorized for Mutual Security

Following are statements in support of the appropriation request for the mutual security program for fiscal year 1959 made before the Senate Committee on Appropriations by Secretary Dulles on July 18 and by Under Secretary Dillon on July 8.

STATEMENT BY SECRETARY DULLES

I appear in support of appropriations to implement the mutual security program which the Congress has authorized. I do so at a grave moment in history and under conditions that are obviously compelling. Events in the Middle East make it now more clear than ever that our Government needs the full amount which the Congress has authorized to be spent on this program.

The sum which the President requested for fiscal year 1959—\$3,950,000,000—was the careful and conservative estimate of the executive branch of the money needed to enable this program adequately to serve our nation in fiscal year 1959.¹ This request has already been reduced \$274.5 million by the authorization act. The appropriation voted by the House takes away nearly \$600 million more. This cut is so deep that the President, at the time, made a special public declaration ² that the House action "seriously endan-

¹ For text of the President's message of Feb. 19, 1958, to the Congress recommending continuation of the mutual security program, see Bulletin of Mar. 10, 1958, p. 367. On June 18, 1958, the President transmitted to the Congress (H. doc. 407) amendments to the budget for mutual assistance programs involving an increase of \$8 million in the general authorization for technical cooperation to provide funds for increased language training for ICA personnel, other personnel improvements, and an increased program for training foreign nationals in the United States.

gers our security" and that it "is taking reckless risks with our safety."

That was a direct and clear warning by the Chief Executive, our Commander in Chief, to the people of the United States and to the Congress. The validity of that warning is borne out by subsequent events. They all too clearly demonstrate the need for every dollar that has been authorized.

I. Forces for Change

The dangers against which the President warns flow from the powerful forces for change now at work in the world. These changes will destroy us if we merely sit on the sidelines as observers.

(1) There is the movement for national independence and economic betterment. Twenty nations with a population of some 700 million have recently gained independence. Others are moving toward this cherished goal. This spreading of political independence has generated new hope among those who, having been bogged down for centuries in a morass of abject poverty, feel that political change should also bring with it economic change and a better prospect of their rising in the economic scale. Numbness is replaced by new aspirations. These have spread contagiously to others who, although they may long have enjoyed political independence, have never enjoyed economic good health.

(2) Communist imperialism seeks to intensify and direct this phase of change and thereby to gain control of Asia and Africa. Stalin, in his 1924 lectures on Leninism, pointed out that the road to victory in the West lay in "revolutionary alliances" with "colonial and dependent countries." He went on to point out that the Communist strategy should be to whip up extreme nationalism in these areas—and he particu-

² Bulletin of July 21, 1958, p. 103.

larly mentioned Egypt—which would break their ties with the West. That, he pointed out, would leave these countries dependent upon the Soviet Union and make it easy to bring about their "amalgamation" into the Soviet bloc.

By these tactics Communist imperialism has already gained much. If it should succeed generally, it would leave the United States encircled and subject to strangulation, the result which has also from the beginning of Soviet communism been its ultimate goal.

(3) Another force for change is found in the aspirations of the peoples now under the heel of Communist imperialism. They want again to have national independence and to exercise fundamental human rights. The captive peoples know that, as the world goes, so they will go. If freedom wins elsewhere, they too will gain freedom. But if their captors achieve elsewhere great victories and great prestige, that seals their doom for many a year.

II. Significant Developments of the Year

Since I met with you a year ago, the pattern of Soviet policy has become more clearly revealed. Where the smile has failed to delude, it is replaced by a snarl.

Arms Control

We have made repeated efforts to find the way to reduce the dangers and costs inherent in modern armament.

When the Soviet Union alleged, on the basis of false premises, that peace was endangered by the activities in the north of our Strategic Air Command, we promptly proposed that the northern area be subjected to international supervision to eliminate fear of surprise attack from either side.³ That proposal was vetoed by the Soviet Union.

Despite strange Soviet vacillations, we have finally brought about a meeting of experts at Geneva to study how an agreement to suspend nuclear tests could be dependably supervised. This is encouraging. But our hopes are subdued by the speech of Chairman Khrushchev of July 12, where he said that there would be no far-reaching controls until there was trust in the Soviet Government.

There is a long list of nations and individuals

who have gone to their doom because they trusted Soviet promises. We hope that disarmament need not await the time when "trust" is a dependable substitute for caution.

We believe that the Soviet rulers will yet come to recognize that adequate supervision against surprise attack and controlled reduction of armament are in their own interest. We shall continue to press toward these goals. But it would be reckless now to weaken the common defense of the free world.

Summit Meeting

We have also hoped that tensions might be reduced through a meeting of heads of government to discuss the problems which generate those tensions.

The Western leaders sought a meeting which would be adequate in scope and prepared as to substance. We were in fact negotiating at Moscow for such a meeting when, on June 11, 1958, the Soviet Union abruptly broke off these preparatory talks.⁴

Chairman Khrushchev last week said that it would be better not to have a summit conference than to have one at which there are discussed "questions which should never be raised at a summit conference at all." As such questions he cited the reunification of Germany and the status of the nations of Eastern Europe, both subjects which had been discussed at the 1955 summit meeting.

President Eisenhower said in his letter to Chairman Khrushchev of July 2, 1958,⁵

A meeting of Heads of Government would not respond to the hopes and aspirations of mankind if they met under an injunction that seals their lips so that they could not even mention the great political issues that gravely trouble their relations and endanger world peace.

So, while we continue to strive for a meeting at any level which will offer accomplishment and not deception, we have no present reason to be optimistic.

Agitation in the Middle East

The Middle East is especially an area of change and instability. There are tensions between the Arab States and Israel and ambitions based on pan-Arabism. The Soviet Union seeks to exploit these in pursuit of its "revolutionary alliances," a

³ For background, see ibid., May 19, 1958, p. 816.

⁴ For a letter from Premier Khrushchev to President Eisenhower, see *ibid.*, July 21, 1958, p. 96.

⁵ Ibid., p. 95.

strategy to which I have alluded. It hopes thus to gain control in this area of great natural richness where three continents meet. For the most part, its hand is hidden.

Since the summer of 1955—a date which coincided with the Geneva summit meeting—the Soviets have intensified their efforts. In 1947 they actively supported the creation of Israel. But recently they seek the favor of the Arabs by appearing to support them against Israel. They support by propaganda and diplomacy—by arms supply and economic penetration and by subversion—violent movements, designed so to weaken the area and to create such dependence on the Soviet Union that it will be in effective control. Where we have striven for peaceful evolutionary solutions to national problems, the Soviets have fomented revolutionary solutions.

In recent weeks the Soviet Union has had further opportunities to pursue their designs. There has been a concerted movement which in Iraq has violently and totally liquidated the lawful Iraqi Government, which in Lebanon has turned internal differences into a cover for violent indirect aggression, and which in Jordan plots violent deeds such as occurred in Iraq.

These developments have placed an additional and increasing burden upon our mutual security programs.

The Threat of Soviet Technology

Since I last appeared before this committee, Soviet developments show that great scientific and technical progress and much industrialization have been compressed into a very short period. The Soviet Union is now the second industrial nation of the world.

We could welcome this development if it served primarily to benefit the Soviet people. Unfortunately, however, the greater part of their efforts are absorbed by vast military forces, heavy industry, and, more recently, economic warfare.

Mr. Khrushchev recently said:

We declare war upon you—excuse me for using such an expression—in the peaceful field of trade. We declare a war we will win over the United States. The threat to the United States is not the ICBM, but in the field of peaceful production.

There is unfortunately an element of truth in this declaration. We have, we believe, found the way to deter Soviet open military aggression. But we seem not yet to be aroused adequately to the danger of the Soviet economic offensive.

III. Dealing With the Realities We Face

We are seeking in many ways to reach settlements which can help establish peace in the real meaning of the word. But meanwhile we must deal with the realities of the world as it is. For this, our mutual security program is a necessary and highly effective tool.

Preventing War

One basic purpose is to prevent war. To do this we are maintaining powerful forces of our own at a cost of some \$40 billion a year. But great as is our effort, we cannot, acting alone, be confident of deterring war.

We have therefore joined with others to create a collective-security system involving over 40 nations. As the Chairman of the Joint Chiefs of Staff told you last week, "Our own security is inseparately linked to the collective effort," and "continued assistance to our allies is an indispensable part of our national defense."

The deterrent to nuclear war, embodied in our own Strategic Air Command and advance naval forces, is heavily dependent upon forward bases, air and naval, provided us by our allies as part of their contribution to the common defense.

The second great military problem is the danger of local aggression. Although the United States has mobile forces to deal with such outbreaks, our basic reliance is properly on our allies to defend their own territory. Therefore, in Europe, in the Middle East, and in Asia, we are providing military assistance, principally in the form of equipment to allied forces willingly created to defend their homelands and to be the immediate strength to hold back local aggressions which could erode or even engulf the free world.

Economic Support for Our Military Allies

We have long since had to recognize that some of our most dependable, but less prosperous, allies cannot maintain agreed forces unless we contribute to the economies that sustain these forces. We do this through defense support.

Most of the 12 nations for which this support is proposed are in highly exposed and vulnerable positions.

Eleven of these nations either lie immediately

upon the boundaries of the Communist bloc—Greece, Turkey, Iran, Pakistan, Thailand, Viet-Nam, Laos, and Korea—or are separated only by a narrow strait or strip of land—Formosa, the Philippines, and Cambodia. The 12th, Spain, is more distant but of great strategic importance.

Six—Spain, Greece, Turkey, Taiwan, Korea, and the Philippines—are the sites of major bases highly important to our own United States strategic forces.

The cuts made in defense support last year left no margin for safety or progress in any of these countries. They increased the danger of destructive inflation and popular unrest induced by the burden of their military establishments.

The House figure of \$700 million for this year would mean inflation and an unacceptable risk of disaster in Turkey, Spain, Korea, Taiwan, Viet-Nam, Pakistan, and Iran. Today is no time to reduce our support to these countries, among the most dedicated to the cause of freedom as against communism. The authorization total of \$810 million is a bare minimum.

The Congress has over the past few years provided substantially all of the funds requested by the President, the Secretary of Defense, and the Chairman of the Joint Chiefs of Staff for our own national forces. That same President, same Secretary of Defense, and same Chairman of the Joint Chiefs of Staff have stated to the Congress and to your committee that the collective-defense system is an integral part of our own defense system and that the funds needed for military assistance and defense support are as vital to our security as are the funds so willingly granted for our own forces.

Special Assistance

Special assistance is programed specifically for countries and purposes *not* embraced in military assistance and defense support.

Assistance to countries which are not parties to our collective-defense arrangements, especially in the Middle East, largely comes under the item of special assistance. So does assistance to the newly emerging nations of Africa. So does our vital program of support for Bolivia. So do funds to demonstrate our support for the people of Berlin, where we are an occupying power. The item is relatively small, the authorization being only a little over \$200 million, but every one of these dollars is vitally needed.

Contingency Fund

President Eisenhower originally asked the Congress to make available to him a contingency fund of \$200 million. The authorization reduced this to \$155 million. The House cut the appropriation to \$100 million.

Of all the categories I have discussed, this is the only one for which every dollar is *not* clearly programed.

In the world as it is today, in the cold but deadly war where the battlegrounds shift rapidly from place to place, where the means of attack frequently and importantly alter, and where intensity varies, there *must* be funds available to the President for use to meet unforeseeable emergencies.

Developments in this fiscal year since June 30th already create specific and immediate need for at least \$50 million of these funds. Other needs which are evident in nature but not yet clear as to amounts show plainly that \$150 million is a bare minimum to have available until the Congress returns in January. Then, in all probability, we will have to request additional contingency funds to carry us through the fiscal year.

Let me add that the sum asked by the President was not a guess picked out of thin air. It was based on experience. For instance, in fiscal year 1956, \$265 million of funds of this nature were needed; in fiscal year 1957, about \$215 million; and in the fiscal year just closed, over \$160 million.

Development Loan Fund

I turn last to the most damaging reduction of all—the House cut of \$325 million—54 percent—in the President's request for \$625 million in additional capital for the Development Loan Fund.

The Development Loan Fund is the major element in our effort to assure the peoples of the less developed lands that they may, in freedom, realize their economic aspirations and build solidly for the future. It is the alternative to a world dominated by the economic concepts of Sino-Soviet communism. It has attracted great attention from many parts of the world.

In 1957 the President asked for \$500 million for the first year of the fund and an added \$750 million for the second year—a total of \$1,250 million for the first 2 years. He believed that was the amount the United States should have available

for financing projects of great importance to the progress of friendly nations but not proposed for financing otherwise.

The Congress appropriated only \$300 million for the first year and reduced the authorization for the second year to \$625 million—a potential total of \$925 million in the first 2 years. The House has now reduced the appropriation to \$300 million for the second year, or a total of \$600 million for 2 years—less than one-half the amount needed.

As Mr. Dillon has pointed out to you, the fund has used up the \$300 million already made available to it and has done so in one-half year of operation. The direct effect of the House action is therefore that the fund must either cut its rate of operations in half or stop dead and go out of business halfway through the fiscal year.

This House action amounts to a determination that the United States should abandon a large part of the now free world to Communist imperialism.

I ask you to assure the availability of the full \$625 million requested by the President.

I concur fully in Mr. Dillon's statement that "in all gravity . . . the future of our country and the future of freedom in the world will be decisively influenced by your decision on this particular appropriation."

IV. Conclusion

These are hours of decision. We must implement policies which will affect the peace of the world and the destinies of our people for years to come. I do not doubt that we have and can find policies to enable freedom to serve the needs of a changing world and to prevail over the materialistic, atheistic policies of communism. But much depends on what we do now.

The mutual security program, the future of which rests in your hands, is one of the most important of the tools with which to shape the future. Its power and effectiveness to do so will depend, first of all, upon the strength which your committee and the Congress give it.

STATEMENT BY UNDER SECRETARY DILLON

I am glad to have the opportunity to appear before you this morning to introduce the executive-branch testimony in support of the President's request for appropriations to carry out the mutual security program during this fiscal year. Secretary Dulles is, unfortunately, unable to appear this morning because he is accompanying the President on a state visit to Ottawa, but he plans to appear before the committee on July 16th to discuss the broad foreign-policy considerations which underlie our request for new appropriations.

The President has requested of the Congress, to earry out the mutual security program this year, appropriations in the amount of \$3,950,092,500. This figure was reduced \$274,500,000 in the authorizing legislation. The action of the House of Representatives in approving the appropriations act last week [July 2] further reduced this request by the amount of \$597,500,000.

The program submitted this year was an austere program. The reductions in the authorizing stage were serious. The further reductions by the House in the appropriations act are critical. They occur in five separate items, on which we plan to concentrate our testimony: \$90 million below authorization in military assistance, \$110 million in defense support, \$17.5 million in special assistance, \$55 million in the contingency fund, and \$325 million in the Development Loan Fund.

Secretary McElroy and General Twining will appear before you tomorrow to go over the effect of the proposed reductions in military assistance. Mr. James Smith [Director of the International Cooperation Administration] will testify on the following day regarding defense support and special assistance. Secretary Dulles will cover the contingency fund in his scheduled appearance on July 16th. Today I would like to discuss the most critical of these reductions: that in the Development Loan Fund.

Last year in presenting the Development Loan Fund to the Congress, the President outlined a 3-year program, with \$750 million requested for fiscal year 1959. The DLF started operations about January 1st. The results of the past 6 months indicate that our original request for fiscal year '59 was fully justified. The appropriations action of the House reduces the original request by 60 percent and is a reduction of over 50 percent from the \$625 million authorized last year for fiscal year '59 and requested this year

⁶ Ibid., June 10, 1957, p. 920.

by the President. This reduction raises a question not merely as to the scale of fund operations but as to whether there should be a fund at all. It would deprive the fund of any real prospect of achieving the purpose which the Congress intended the fund to fulfill and which was reaffirmed this year when the Congress agreed to the incorporation of the fund.

I shall lay before you, as clearly as I can, the facts which lead me to believe that this is the case.

1

You will recall that the fund's establishment followed a series of studies of the mutual security program last year by a special committee of the Senate, by the House Foreign Affairs Committee, by two committees of Presidential advisers headed by Benjamin Fairless and Eric Johnston, respectively, and by numerous private groups.

These studies examined the mutual security program in the light of the changing international situation and considered what shifts, if any, in its character and emphasis were in order.

These studies produced some differing conclusions, but there was one thing on which they all agreed: that there was need for much greater emphasis on effective U.S. financing of economic growth in the less developed countries. Such growth had been lagging. In the absence of greater progress it seemed unlikely that existing free governments could retain the support of the increasingly restive peoples in these areas. The Communist bloc was moving vigorously to exploit this situation, seeking to persuade these peoples that only through Communist methods and in association with the bloc could they achieve the economic growth they sought.

To meet this threat these studies recommended the establishment of loans in substantial amounts to provide development financing on a long-term basis, using businesslike procedures best suited to this task.

To carry out this task the administration proposed and the Congress established the Development Loan Fund. Recognizing that it would take the fund some time to organize and commence operations and that therefore a full year's appropriation could not be utilized in the first year of operation, the Congress provided \$300 million for fiscal year 1958. It also authorized \$625 million for fiscal year 1959.

In fiscal year 1957, before the creation of the fund, the annual level of U.S. financing for development purposes (from both section 201 and the old broader category of defense support) was about \$400 million. Thus our fiscal year 1958 appropriation for the DLF actually represented a 25 percent reduction from the fiscal year 1957 level of development financing. This was presumably based on the fact that the fund was a new instrument and that a period of time would be required for it to get under way.

This proved to be the case. The fund did not really commence operations until around the first of the year, and its first loan was approved around the first of February. Since then we have either committed or earmarked for specific projects all of the fund's resources except for about \$33 million. The only reason this \$33 million is not also committed is that we felt it prudent to await the action of the Congress on the 1959 request before utilizing all of our funds.

Thus we have operated for the past 6 months at an annual rate of about \$600 million. The appropriation voted by the House would force a reduction of 50 percent in this rate and would also put us below the wholly inadequate level which obtained before the fund came into existence. And this despite the fact that everything in the international situation and in the fund's record to date argues that we should be moving at last to meet the need for increased development financing which moved the Congress to set up the fund in the first place.

 \mathbf{II}

The urgency of that need is growing steadily, in terms of the U.S. national interest. It has become increasingly clear that the less developed areas are to be the critical battlefield in the cold war. The Soviets are moving into that battlefield with increasing vigor. The scale of their economic offensive has mounted; during the past 3 years they have extended selective nonmilitary credit and grant aid totaling over \$1.7 billion.

⁷ For a statement by Mr. Dillon on the Soviet economic offensive, made before the Senate Committee on Foreign Relations on Mar. 3, 1958, see *ibid.*, Mar. 24, 1958, p. 469; for an announcement concerning Department of State publication 6632, entitled *The Sino-Soviet Economic Offensive in the Less Developed Countries*, see *ibid.*, July 7, 1958, p. 31.

Their programs of political subversion have increased apace.

These efforts have not been without result. In Indonesia their economic and political offensive has strengthened the position of local Communist groups and raised new problems for those Indonesians who would keep their country free. In the Middle East large-scale Soviet aid has helped to establish a position of influence for the Communist bloc which has contributed substantially to the instability which threatens this area's peace and independence.

We must face the plain fact that ineffective U.S. action in these areas—doing too little and being too late—could lose us the cold war by default. For if the peoples of the newly developing countries see little prospect of achieving material betterment through free methods and in association with the free world, they will inevitably turn to extremist leaders who favor totalitarian methods and who would form close ties with the Soviet bloc. And if Communist influence is extended into the less developed countries in this way, neither these countries' armies nor our own will be able to prevent the area of Communist domination from engulfing nation after nation of the free world.

Modern industrial technology is leading steadily toward the greater economic interdependence of nations. If the less developed areas of the world are lost to communism through inaction on our part, we will soon find ourselves alone, surrounded by a hostile sea of international communism. Then Lenin's prophecy that one day the United States would fall before the Soviet Union like ripe fruit ready for the plucking would inevitably come true. Unless the final fiscal year '59 appropriation for the DLF closely approximates the \$625 million we have requested, the United States will face the prospect of important losses to communism in the next few years. Gentlemen, in all gravity I say to you that the future of our country and the future of freedom in the world will be decisively influenced by your decision on this particular appropriation.

III

The fund's operations in the last year have, I believe, justified our confidence that it could prove an effective instrument.

These operations have fulfilled our pledge to

the Congress that its funds would be used, like those of the Export-Import Bank and the World Bank, for specific and identifiable projects or programs that met tightly defined and predetermined criteria.

From even our limited experience to date I am fully convinced that this shift in approach away from annual country-aid levels to sensible banking procedures is sound. We are getting more value for each dollar by insisting that our financing be extended through such procedures.

By placing our development financing on this banking basis we have also been able to work more closely with other public banks. For example, in the Indian program, after finding out what projects the International Bank was prepared to consider, representatives of the Export-Import Bank and the DLF met jointly with Indian representatives to consider what priority projects they could help finance. The International Bank is now concentrating on modernization of the Indian railway system; the Export-Import Bank will finance capital goods for use in irrigation, power, mining, transportation, and industrial development; and the DLF will finance steel for the railway program as well as components for the road program and jute and cement machinery. This sort of arrangement enables each financing institution to concentrate on the kinds of projects best suited to its procedures and financing terms. It helps to meet the receiving country's total needs as effectively and economically as possible. Similarly, all of our projects are checked out with both the World Bank and the Export-Import Bank before the fund acts.

One of the basic purposes of the Development Loan Fund is to encourage private investment and enterprise. We are working vigorously and, I believe, effectively—to fulfill this purpose.

We are encouraging applications from private investors. Of the more than \$1.9 billion in applications now under consideration or approved, about 40 percent represent proposals from private enterprises.

We are trying to encourage and assist the creation of development banks in less developed countries. We have already agreed to provide financial support for two such institutions so as to make possible loans not otherwise available to small entrepreneurs.

In shifting from past practices to the fund's

new methods of doing business we have had, of course, to overcome certain major problems. "Going" projects have had to be continued, and both the less developed countries and our missions in these countries have had to be educated as to our new methods of doing business.

For reasons such as these the past fiscal year has been a period of transition. I expect in the coming fiscal year that we will have completed the change to new procedures and will be in a position to secure even greater benefits from the fund's existence, provided that it can command adequate resources.

This means, let me emphasize, adequate resources not only for financing but also for administrative expenses. I believe that an administrative-expense limitation of \$1.5 million is essential for efficient and complete operations. The \$1 million limit voted by the House would be disastrous for the fund. This may seem like a side issue, but it is in fact the key to efficient use of the fund's capital. A private bank would not consider it sound economy to hire a staff that was too small or poorly qualified to manage its funds wisely. The Government should be no less prudent in the management of its capital. The request for administrative expenses of \$1.5 million which the fund has made provides for a small staff with ability and experience and for the provision of necessary supporting services from ICA and other agencies. The most important of these supporting services is the provision of engineering and technical advice to insure that the DLF projects are properly conceived. Present DLF plans contemplate no large engineering staff of its own but rather reliance on other agencies.

TV

I have tried so far to indicate why I believe that a cut in the fund's fiscal year 1959 appropriation request would prevent it from fulfilling the Congress' original intent—that of placing more emphasis on development financing—at a time when both the international situation and the results of the fund's operations to date underline the soundness of that intent.

The House Appropriations Committee obviously had an explanation for the radical reduction it made in the requested appropriation. What was that explanation? It appears to run as follows:

According to the budget justification submitted to the House Appropriations Committee it was anticipated that in fiscal year 1958 the fund would technically obligate \$125 million of the \$300 million first appropriation. This would leave technically unobligated \$175 million. The budget justification also showed that the fund contemplated technically obligating, in fiscal year '59, \$500 million. The House committee therefore apparently concluded that it need add only \$300 million of new appropriations to the \$175 million technically unobligated to produce approximately the \$500 million which the budget justification indicated the fund contemplated obligating in fiscal year 1959.

This apparently logical argument simply does not deal with the realities of the operation of the fund. It rests on the technicalities of obligating and a refusal to recognize how a banking institution like the fund does and must obligate. Acceptance of this form of "logic" would quickly put the fund out of business.

What are the realities of the situation?

- 1. The fund received an appropriation of \$300 million in early September 1957. It was necessary to establish a new working organization, to advise foreign governments of the statutory requirements for applications to the fund, and to wait for applications based on those new technical requirements. The fund therefore could not begin handling loan requests until January 1958, with one-half of the fiscal year remaining.
- 2. During this half year, while the fund technically obligated only \$102 million, the loan committee approved additional loans totaling \$165 million, requiring the commitment or earmarking of that amount of the appropriated funds. These are loans on which the loan committee had issued letters of advice or had approved in principle, and they are either awaiting further action by the borrower or by the National Advisory Council on International Financial and Monetary Problems.

In short, all of these funds, totaling \$267 million of the \$300 million appropriation, were used up and unavailable for use against other loan requests.

When the Board of Directors of the new Development Loan Fund Corporation meets this coming Friday, it will have available for further use only \$33 million in total capital and it will

be confronted by projects totaling \$70 million on which intensive and favorable staff evaluations have been completed.

3. It is apparent from these facts and figures that, before any new capital is available to the DLF from the appropriation request before you, the capital available will be completely exhausted, and this will have been done in loan actions completed in one-half year of actual operation.

Two facts are therefore evident: First, the fund is now established on an operating basis where it can fully and effectively act on loan requests at a rate of at least \$600 million per year. It is not material that technical obligations may be less than this amount. Second, if the appropriation provided by the House—\$300 million of new money—should stand, the fund would have to cut its level of operations in half or, if it continued at the present rate, would have to cease operations after only one-half year of the fiscal year 1959.

Either of these alternatives is obviously unacceptable when measured by the interests and welfare of the United States. As I have said before, the full appropriation of \$625 million is necessary to meet the needs of the newly developing nations during the coming year. The fund now has before it about \$1.7 billion in apparently worthwhile loan applications beyond those on which it has acted in fiscal year '58. All indications are that we may expect to receive at least \$1 billion more before the end of fiscal year 1959. On the basis of our experience in fiscal year 1958, I have no doubt that, if we act on these and future applications in a manner consistent with our national interest, we will require the availability for use of at least \$625 million in new funds in fiscal year 1959.

V

To sum up, Mr. Chairman: I believe that it is vital to the interests of the United States, and was the intent of the Congress, to increase and render more effective the development financing that obtained before the fund was set up. This will require a DLF appropriation of at least \$625 million for fiscal year 1959.

The fund can use this sum—and more—prudently and effectively.

It needs this sum—and more—to meet the rising Communist threat to our vital interests in the less developed areas.

If it is denied this sum, the fund will become an instrument largely without meaning and, more importantly, we will have embarked on a course that could end by placing our own peace and security in jeopardy. For the defense of the free world requires more rapid economic growth in less developed areas. And that growth, in turn, requires adequate and businesslike U.S. development financing. With necessary resources I believe that the fund can undertake and fulfill such a program.

Department Asks Prompt Action on Joint U.S.-Euratom Program

Statement by Under Secretary Dillon 1

I should like to express at the outset the regret of the executive branch at the late date at which this program has been submitted to the Congress. The schedule, unfortunately, was beyond our control. The new Community did not come into existence until January 1, 1958; it was born without a staff and further labored under the difficulty that M. [Louis] Armand, the EURATOM President, fell ill and only recently returned to the Commission. However, in something over 4 months an almost miraculous job has been done by the new Community in gathering a staff and in organizing its resources, which enabled the Community to work effectively and quickly with the United States in developing the comprehensive joint program now before the committee.

As the President stated in his message to the Congress,² both the Department of State and the Atomic Energy Commission consider it of the greatest importance that the program be acted upon affirmatively by the Congress prior to the adjournment this summer. In subsequent testimony the Department of State and Atomic Energy Commission representatives will endeavor to make clear why urgent action is necessary to maintain the momentum which has now been developed in Europe.

August 11, 1958 247

¹ Made before the Joint Committee on Atomic Energy at the hearing on EURATOM agreements and EURATOM legislation on July 22 (press release 415).

² For a Department announcement, the President's message, the text of the agreement, and a memorandum of understanding, see BULLETIN of July 14, 1958, p. 70.

A striking aspect of the joint program is the combination of practical and political appeal. The fundamental strength of the program is that it is rooted in the benefits to the enlightened self-interest of both parties. The element of self-interest is not to be excused; it is a guaranty that the program will lay the basis for healthy and fruitful cooperation between America and Europe.

The agreement represents the confluence of two important historic developments: first, the peaceful application of atomic energy, a policy high among the objectives of this Government; second. European unity, a result of European inspiration and a development on which the United States has looked with great interest and favor. Certainly, bearing in mind our own history with the unification of the Thirteen Colonies in the 18th century, what American can be unresponsive to the gradual process unfolding in Europe and the movement to amalgamate the great strength and historic traditions of the six countries?

There are, of course, specific advantages of special interest to the United States. The representatives of the Atomic Energy Commission will speak to the significant advantages we, and particularly American industry, will gain from this large-scale, cooperative effort to harness the atom for the production of economical nuclear energy. In this connection, EURATOM is unique in having a political status, including certain of the sovereign attributes of the state, which permits us to deal with it bilaterally. Combined with this political status is the scientific, industrial, and financial potential of six of the most developed nations in Europe. The successful implementation of the program will help maintain Western leadership in the peaceful uses of atomic energy. The continuing attacks on EURATOM by the Soviet Union would seem to indicate that they draw the same conclusion.

The higher conventional fuel costs in Europe than in the United States mean that atomic power will be economic in Europe before it is in the United States. United States progress in reactor research and development makes it possible and advantageous for us to collaborate with the Europeans in this program. The instruments for this collaboration are United States industry and European industry interested in embarking upon the production of nuclear components, both work-

ing with European utilities. Out of this program there may be expected to grow mutually beneficial licensing arrangements between these industries; scientists and engineers from both Europe and America will gain from intimate association in this major development program.

The European desire to have six reactors in operation before 1963 means that heavy demands will be made on United States atomic energy industry to supply specialized reactor components. It should be stressed that all of the information developed from the joint research and development program will be freely available on a nonexclusive basis both to United States and European industry. The joint program should be a major factor accelerating atomic power development.

Over the last 10 years both the executive and the congressional branches have expressed the sympathetic interest of the United States in European efforts to develop unity. The integration movement among the six has been looked upon as the most promising method to exploit the great economic and political energies of this area. Politically, within the Atlantic Community, unity of the six nations will strengthen the ties with the United States and make possible programs on a scale which individually the nations could not attempt. The economic potential of linking the countries of this area in the three communities, the Coal and Steel Community, the Common Market, and the EURATOM Community, is recognized by all. EURATOM, with its interest in rapidly developing a nuclear power program, presents a unique opportunity for the United States to work in intimate association with Europe and to bring to bear the scientific, industrial, and financial resources of both the Community and the United States on a program which is sure to benefit the Community, the United States, and ultimately the entire world. The nature of the program permits EURATOM and the United States to enter into a special association—a joint endeavor to the end of a mutually beneficial interdependence utilizing efficiently the great latent resources of the Atlantic area more effectively to meet the Soviet challenge.

As can be seen, the foregoing virtues of the program are by no means exclusively ours but of equal significance to the Europeans. But there are certain factors of more immediate significance to the Europeans. One of the most important is that the program will enable the Europeans to

augment their present atomic energy efforts and to take full advantage of the progress which has already been made in the United States, especially with reference to proven types of power reactors, and hence save much valuable time. The progress which will be made from this moment on, although of benefit to both sides, will be of immediate benefit and gain to Europe because of their mounting shortage and rising cost of conventional fuels.

There is one other aspect of this matter that is of great importance to Western Europe. The closing of the Suez Canal and the interruption in the pipelines from Iraq last year brought sharply home to Western Europe the extent of their dependence on Middle East oil. Thanks to a largescale increase in deliveries from the Western Hemisphere, European industry was able to continue operating without any excessive ill effects. However, the outlook for the future indicated that, as European demand for energy grew, their dependence on Middle East oil would also increase. In order to give themselves increased flexibility the EURATOM countries quite naturally decided to try and cover a portion of the increase in their energy requirements from an alternative source of energy, nuclear power. The events of the past week have highlighted the importance of this aspect of the EURATOM program. A strong nuclear-power industry in Europe should have the effect, through providing an alternative source of energy, of lessening the temptation to manipulate petroleum deliveries for political reasons and should thereby help to lay the groundwork for a healthy and normal economic relationship between petroleum supplier and petroleum consumer. The current crisis in the Middle East is surely dramatic evidence of Europe's urgent need to develop nuclear power.

Recently demonstrated evidences of advanced Soviet scientific and engineering capability have caused a serious and healthy reappraisal within the Atlantic Community of the extent to which the Western countries have been exploiting to the full their potential scientific strength and whether this strength is being mobilized through the most effective, cooperative arrangements. Voices in Europe have queried whether the historic position of the United States in the field of science, engineering, and general industrial development is not being overtaken by the Soviet Union. Atomic energy is rightfully considered a bell-

wether of scientific and industrial accomplishment. Rapid progress on a major program of the scope and character outlined in the documents before the committee will do much to dispel this questioning attitude and, furthermore, will lay the foundation for the kind of meaningful scientific cooperation which is indispensable to the survival of the West.

In conclusion I should like to note that, while a great deal of the work of carrying out our policy involves the drudgery of the known and of the routine, we stand always prepared to meet new challenges with imagination and resourcefulness. The joint U.S.-EURATOM program is one of these. It strikes out along new lines and takes full advantage of the great, but only barely exploited, promise of atomic energy. We have, therefore, under this program the opportunity to employ our own substantial talents and industrial capacity in a joint endeavor which promises to enhance our position in Europe, increase their economic strength in a crucial area and at the right time, and to do this in the spirit of cooperation and trust which is the hallmark of the inner strength and future of the Atlantic Community.

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Extend Public Law 480. Agricultural Trade Development and Assistance Act of 1954. Hearings before the House Committee on Agriculture on Sales on Credit, H. R. 4358; Extend Act, S. 3420, H. R. 9893, H. R. 9894, and H. R. 10117; Barter and Exchange, H. R. 10487; Barter and Stockpiling, H. Con. Res. 224; Counterpart funds use, H. R. 11906. May 5-28 and July 3, 1958, 345 pp.

Trade Agreements Act Extension. Hearings before the Senate Committee on Finance on H. R. 12591, an act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1939, as amended, and for other purposes. Part 1, June 20-26, 1958, 830 pp.; Part 2, June 27-July 3, 1958,

687 pp.

Double Taxation Conventions. Hearing before the Senate Committee on Foreign Relations on supplementary income tax protocol with the United Kingdom (Ex. A, 85th Cong., 2d sess.); supplementary income tax convention with Belgium (Ex. B, 85th Cong., 2d sess.); and notification of extension of income tax convention with the United Kingdom (Ex. C, 85th Cong., 2d sess.). July 1, 1958. 53 pp.

Double Tax Conventions. Report to accompany Ex. N. 85th Cong., 1st sess.; Ex. B. 85th Cong., 2d sess.; and Ex. C. 85th Cong., 2d sess. Exec. Rept. I, July 7, 1958.

 $29~\mathrm{pp.}$

Administration Recommends New Passport Legislation

Following are texts of a message from President Eisenhower to the Congress transmitting certain recommendations relating to passport legislation, a letter from Secretary Dulles transmitting to the Senate and the House of Representatives a draft bill to implement the President's suggestions, and a statement made by Deputy Under Secretary Murphy before the Senate Foreign Relations Committee on the subject of passport legislation.

THE PRESIDENT'S MESSAGE TO CONGRESS 1

To the Congress of the United States:

Since the earliest days of our Republic, the Secretary of State has had the authority to issue or deny passports. Historically this authority stems from the Secretary's basic responsibilities as the principal officer of the President concerned with the conduct of foreign relations. Congress has over a period of years given the Secretary of State certain additional statutory authority in the field.

In recent years the Secretary of State has based his limitation of passports on two general grounds. The first of these has been that an applicant's travel, usually to a specific country or countries, was inimical to United States foreign relations. The second of the general grounds of denial has been that the applicant is a member of the Communist Party; is under Communist Party discipline, domination, or control, or that the applicant is traveling abroad to assist knowingly the international Communist movement.

Recently the Supreme Court limited this power to deny passports under existing law. It is essential that the Government today have power to deny passports where their possession would seriously impair the conduct of the foreign relations of the United States or would be inimical to the security of the United States.

Moreover, the Secretary should have clear statu-

tory authority to prevent Americans from using passports for travel to areas where there is no means of protecting them, or where their presence would conflict with our foreign policy objectives or be inimical to the security of the United States. Such grounds for restricting or denying passports may or may not have any connection with the international Communist movement. They are, however, essential for the orderly conduct of our foreign relations and basic to the maintenance of our own national security.

In exercising these necessary limitations on the issuance of passports, the executive branch is greatly concerned with seeing to it that the inherent rights of American citizens are preserved. Any limitations on the right to travel can only be tolerated in terms of overriding requirements of our national security, and must be subject to substantive and procedural guaranties.

The Secretary of State will submit to the Congress a proposed draft of legislation to carry out these recommendations.

I wish to emphasize the urgency of the legislation I have recommended. Each day and week that passes without it exposes us to great danger. I hope the Congress will move promptly toward its enactment.

DWIGHT D. EISENHOWER

The White House, July 7, 1958.

THE SECRETARY'S LETTER TO VICE PRESIDENT NIXON 2

JULY 7, 1958

DEAR MR. VICE PRESIDENT: I transmit for the consideration of the Congress a draft bill 3 to implement the suggestions made by the President in

¹ H. Doc. 417, 85th Cong., 2d sess.

² A similar letter was sent to Sam Rayburn, Speaker of the House of Representatives.

³ The bill was introduced in the Senate by Senator Theodore Francis Green (S. 4110) and in the House of Representatives by Representative Kenneth B. Keating (H.R. 13318).

his message to the Congress of July 7, 1958 on the subject of passport legislation.

As indicated by the President in his message to the Congress, the Supreme Court has ruled that the Government is without statutory authority to deny passports to supporters of the International Communist Movement. Enactment of the proposed draft bill would supply the authority now lacking.

I think there can be no doubt in anyone's mind that we are today engaged for survival in a bitter struggle against the International Communist Movement. Congress itself has so concluded in numerous statutory findings and Congressional The International Communist Movement seeks everywhere to thwart United States foreign policy. It seeks on every front to influence foreign governments and peoples against the United States and eventually by every means, including violence, to encircle the United States and subordinate us to its will. The issuance of United States passports to supporters of that Movement facilitates their travel to and in foreign countries. It clothes them when abroad with all the dignity and protection that our Government affords. Surely our Government should be in a position to deny passports to such persons.

In view of the urgency of this matter, it is my hope that the Congress may proceed promptly to a consideration of the draft bill as a preliminary to its early enactment.

Sincerely yours,

John Foster Dulles

Attachment: Draft Bill.

The Honorable
RICHARD M. NIXON,
President of the Senate.

STATEMENT BY DEPUTY UNDER SECRETARY MURPHY 4

I appreciate very much the opportunity to appear before your committee on the subject of passport legislation. This is a subject which recently has attracted a great deal of public attention and one which has long been of historical interest. My attention was drawn over the weekend to an

excellent article on the subject in the Washington *Post*. That article traced the historical development of control by governments of the travel of their citizens. The writer referred to the right of an orderly citizen not involved in crime to travel abroad in peacetime as a basic right under Anglo-Saxon law. He quoted the provisions of the Magna Charta which states:

It shall be lawful to any person, for the future, to go out of our kingdom, and to return, safely and securely, by land or by water, saving his allegiance to us, unless it be in time of war, for some short space, for the common good of the kingdom: excepting prisoners and outlaws, according to the laws of the land, and of the people of the nation at war against us. . . .

Now in thinking over this provision of the Magna Charta I find nothing in the legislation which the administration has proposed on this subject in contradiction to the principles stated in the Magna Charta. The policy of our Government is to promote the travel of its citizens. As proof of that policy, Mr. Chairman, witness the fact that during the ealendar year of 1957 the Department of State issued and renewed 580,946 passports and refused only 8. The record of earlier years is similar. However, as recognized in the Magna Charta the state has an obligation for the common good to exercise some controls over passports in times of war and national emergency. The bill before you is directed to that end and is based on the present existence of a national emergency.

I am sure that no member of this committee has any illusions about the nature of the struggle in which our country is now engaged with the international Communist movement.

At present we are the unhappy witnesses of a movement under the banner of international communism to destroy not only the Government of the United States but the social system on which it and other free governments are founded. It is only necessary to read the violent statements of the Soviet leader Nikita Khrushchev, who during the past days excoriated the Yugoslav leadership, especially in the person of President Tito, for deviation. What is that deviation? Simply stated, it consists of the proposition that a socialist state has the right to choose its own road in the construction of socialism. But the Soviet leadership, backed by-nay, even goaded on bythe present rulers of Red China, declares that there can be not the slightest deviation from the

⁴ Made before the Senate Foreign Relations Committee on July 16 (press release 406).

Marxist-Leninist program of world domination by even a socialist country. That leaves capitalist countries, among which our own, targets earmarked for methodical destruction by the various means which have unfortunately become familiar to all of us during recent years.

Now these means involve warfare of various types. Warfare is not necessarily at every stage a war with weapons of physical destruction. In the lexicon of international communism no means is excluded; in its program the end justifies the means. Thus Communist penetration of the political and social institutions of the bourgeois countries by subversive means is a type of warfare and is standard practice. The dogma of Lenin and his later disciples, whether the Stalins or the Trotskys, the Khrushchevs or the Maos of the present day, requires a crusade in which struggle is unrelenting. The use of the citizens of the "bourgeois" countries wherever possible is eagerly sought. Contacts with them are necessary, and travel by them is essential. Party conferences in many countries and meetings of a host of front organizations throughout the world are an essential part of the apparatus. To attend them travel is necessary. Those who attend meetings of the front organizations may be ardent Communists; others, the innocent who lend themselves, their prestige and facilities to the development of contacts and operations so necessary to the international Communist movement.

I have heard it said that there is no use in attempting to prevent travel by Communist couriers because they always have the diplomatic pouch available to them. This argument makes no more sense than to say that businessmen need not travel abroad because they have the mails available to them. No, gentlemen, make no mistake about it. If you prevent American Communist couriers and agents from traveling abroad, you will have dealt the Communist movement a very serious blow.

In recognition of this fact, the Congress has already, in the Walter-McCarran Act, prohibited the travel of Communists and those affiliated with the movement *into* this country. However, that effort to prevent the entry of Communist agents and agitators with their financing and instructions from headquarters serves very little purpose if the American members of the Communist apparatus are now to be allowed to travel freely out of the country. This is a two-way street, and,

to be effective, both ends must be blocked. To block the other end of that street, legislation of the type that we have before us is most urgently needed.

Now all this is well known, and I apologize for taking the time of the committee to describe it. I do so because the citation of the Magna Charta came to my attention. I have profound respect for that document which has meant so much and means so much to the liberties cherished by free men everywhere. I firmly believe that legislation of the type now before you is entirely consistent with that document. It is intended, among other things, to provide a free government the means to defend itself against what amounts to an international conspiracy to destroy those very individual liberties emphasized by some of the opponents of any control of the passport privilege. Ample check on abuse of the discretion sought for the Secretary of State is provided. The recent decision of the Supreme Court and the prompt compliance by the Department of State with the Court's ruling are evidence, if any is needed, that this is a Government which respects the rule of law.

Urgent Need for Action

But the need for action to remedy this situation is urgent. The President in his personal message last week to the Congress emphasized the urgent need for action. The need is urgent because, as the President pointed out, the Supreme Court's decision of June 16 severely limited the authority of the Secretary of State to deny passports. The Supreme Court specifically said that the Secretary has no authority, in the absence of statute, to deny passports to persons who are members of the Communist Party or affiliated with that party. Thus, since June 16, our Government has been powerless to deny passports to known members of the Communist Party or to those who have had a long and proven record of Communist activities. Already some 60-odd applicants of this type have been issued passports and are in a position to travel abroad to make their contribution to the international Communist movement. At the moment we have 70 more applications from persons of this sort that are pending. Under the Supreme Court decision we have no right and no ground to do other than to issue passports to these applicants. I cannot say that they are all espionage agents or couriers for the Communist Party. I can say that, on the basis of their records and our past experience, we have every reason to believe that they are going abroad to make some contribution to the international Communist movement. But under the present state of the law we are powerless to stop them.

Today we have only 70 applicants of this type, but I think I can safely predict that, if Congress adjourns without having granted authority to the Department to deny such applications, we will have many, many more such applications. The greatest value of having authority to deny is not in the number of actual applications that are finally denied; the value of having such authority is that the Communist Party and its various apparati, knowing that authority exists, do not apply for passports. The authority acts as a restraint which has an effect far beyond the actual number of denials. Without this restraint, I feel it safe to predict that within a matter of months large numbers of known Communists and Communist sympathizers will be seized with a sudden urge to travel. This is no time, particularly in view of the heightened tension of the present state of the cold war and the long-range objectives of the Soviets themselves, for the Government to be powerless to prevent these travels.

The Administration's Bill

I think it may now be appropriate, if the committee permits, for me to comment briefly on some aspects of the administration's bill, S. 4110, which I understand is before you. I know that a number of other passport bills are also before this committee and other committees of Congress. Some of these bills we have had an opportunity to comment upon, others we have not. I have no doubt that there is merit in all of them, and I know that all of them have helped to form our own thinking. In presenting its own bill the administration does not wish to imply that it necessarily rejects or opposes any of the very valuable contributions which have been made to this difficult matter by the many other bills now before Congress. However, the administration felt there was an advantage in forwarding its own bill to the Congress in order to crystallize views and in order to lay before you our own thinking based on practical experience that the executive branch has had in operating the passport program.

We make no claim that the bill before you is perfect in every respect. However, the bill now before you was drafted in close collaboration between the competent officers of the Department of State and the Department of Justice. It has the approval and vigorous support of the Secretary of State and of the President's highest legal authority, the Attorney General. The most careful attention has been paid in drafting this bill to give the maximum protection of due process of law to any limitations contained in it. The executive branch recognizes that limitations placed on the constitutional right to travel—even though those limitations are necessary to the national security—must be applied with scrupulous regard to affording the maximum protection to the individual's constitutional rights. It is our best judgment that the bill before you gives the Secretary of State the authority he needs to control the issuance of passports during a period of national emergency, while at the same time avoiding such arbitrary use of that authority as might be found unconstitutional. The bill before you is a major effort on which a great deal of time and study has been spent to present orderly legislation covering the entire field of passport authority. It is designed to be an overall passport bill. A bill of this kind has not been acted on by the Congress since 1926.

The administration's bill is based upon the premise that every citizen has the right to a passport unless the citizen falls into certain carefully defined categories. Those categories are enumerated in section 103 of the bill. The first five categories and the first subcategory of category 6 are, we believe, entirely clear and definite. They provide specific legal standards. We believe they are not subject to attack on the grounds of vagueness.

There are two additional categories of the bill before you, however, which are broader in context and less definitive. Those are numbers (ii) and (iii) in category 6. Under those provisions the Secretary of State is authorized not to issue passports to "Persons as to whom it is determined upon substantial grounds that their activities or presence abroad or their possession of a passport would:" first, seriously impair the conduct of the foreign relations of the United States, or second, be inimical to the security of the United States. These two provisions clearly allow to the Secretary broad discretionary powers. It is our be-

August 11, 1958 253

lief, however, that they do not allow him, as the principal delegate of the President in the field of foreign affairs, any broader discretionary powers than the Secretary has by virtue of existing congressional enactments and the President's constitutional prerogative to conduct our foreign relations and to protect our national security. We are in fact maintaining that position in the courts today. However, in the light of the Supreme Court's restrictive interpretation of existing statutes, we believe that there are advantages to having this authority of the Secretary's more specifically defined by Congress in a statute.

Under the next section of the bill, section 104, we are asking Congress to make certain findings that would tie the limitation on the issuance of passports to supporters of the international Communist movement into the Executive's broad authority to conduct our foreign relations. It is our conviction, based on past experience and voluminous evidence, that the travel abroad of supporters of the Communist movement in fact lends comfort and support to that movement. We believe there can be no doubt in anyone's mind that comfort and support lent to the Communist movement from whatever source does in fact impair the foreign relations of the United States and is in fact inimical to its security. Section 104 would spell out those facts. Section 104 would erect the legislative presumption that would enable us to deny passports to persons whose records over the last 10 years indicate that they are supporters of the international Communist movement on the grounds that travel abroad of such persons impairs our foreign relations and endangers our national security.

We do not believe that anybody who is acquainted with the facts of the cold war can seriously deny that these findings and presumptions are accurate and overwhelmingly supported by the evidence. Such congressional findings would be, in our view, essential to the Executive in applying these limitations. I venture to believe that there is not a man in this room who seriously believes that a hardened Communist who alleges he is going abroad for innocent purposes is not in fact traveling for some more sinister purpose. It is that experience and that commonsense knowledge of every one of you of the facts of life of the cold war which we are asking the Congress to incorporate into statutory findings in section 104 of the administration's bill.

I have attempted to describe briefly the basic authority which the Executive is seeking in this bill and the reasons why we think such authority is necessary. However, I should like to make it entirely clear that there is nothing in this bill which in any way detracts from the constitutional right of American citizens to speak freely, whether at home or abroad. I can assure you that under this bill the State Department will not be in a position to deny passports to persons whose sole activity abroad would be to voice their own opinions and, should they be so inclined, criticize our foreign policy. Under the review procedures which are clearly specified in this bill any denial of a passport would be subject to careful scrutiny ultimately by the Sccretary himself. We are keenly aware that any exercise of the Secretary's discretion in this area would be subject to close review by the courts. We have no desire to administer this authority or, indeed, any other authority which we may have in the field of passports in such a way as to impair the constitutional rights of our citizens.

That, gentlemen, concludes my comments on the matter before us. I and the other officers here with me are, of course, available to the committee for questions. Since many of your questions may deal with detailed legal or technical matters, I hope the committee will allow me from time to time to refer such questions either to Mr. Loftus Becker, the Department's Legal Adviser, or Mr. Roderic O'Connor, Administrator of the Bureau of Security and Consular Affairs, under whose jurisdiction the Passport Office falls. Miss Frances Knight, Director of that Office, and other appropriate officers are also here to supply your committee with any information you may desire. We are anxious for a full and informative discussion of all aspects of this complex matter. But we are also anxious for prompt congressional action on what we believe to be an urgent and pressing need. The executive branch is convinced that our national security is threatened by the free issuance of passports to American supporters of the international Communist movement who wish to travel abroad. Without congressional authority we cannot deny such passports. We are asking Congress to provide that authority on an urgent basis. Our national security requires no less.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Current Trends in European Migration

TENTH SESSION OF EXECUTIVE COMMITTEE AND EIGHTH SESSION OF COUNCIL OF INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

by George L. Warren

In order to facilitate the movement of migrants and refugees from overpopulated areas of Europe, the Intergovernmental Committee for European Migration (ICEM) was established at Brussels in 1951 on the initiative of the United States. The Council, consisting of all 27 member governments of the Committee, and the Executive Committee of 9 governments were established under the provisions of the constitution.

The eighth session of the Council of the Migration Committee was convened at Geneva on May 8 and adjourned on May 14, 1958. The tenth session of the Executive Committee was convened on April 28 and adjourned on May 13, 1958. Mr. Gordon Jockel (Australia) presided as chairman of the Council and Baron van Boetzelaer (Netherlands) as chairman of the Executive Committee. All members of the Council and the Executive Committee except Rhodesia and Nyasaland and Paraguay were represented at the sessions, which were held at the headquarters of the International Labor Organization. Specialized agencies of the United Nations and voluntary organizations active in the field of migration attended as observers.

During the course of the session all the government representatives found occasion to express the regrets of their governments on the resignation of Harold H. Tittmann, Jr., as Director, to compliment him on the services which he had

rendered to ICEM, and to wish him well in retirement. Mr. Tittmann remained in the Director's chair until all matters concerning actions taken prior to the session had been disposed of by the Council.

Election of Director

The U.S. representative, Robert S. McCollum,² nominated Marcus Daly (United States) for appointment as Director of ICEM to succeed Mr. Tittmann, resigned. The nomination was seconded by the representatives of the Netherlands, Italy, Australia, Venezuela, Israel, Belgium, and the Union of South Africa. By unanimous action of the Council, Mr. Daly was appointed Director of ICEM from May 14, 1958, and accepted the appointment. He remained in attendance at the Council session.

Financial Report for 1957

The reports of the Director and of the External Auditors on Income and Expenditures for 1957 raised no substantive questions and were accepted by the Council. Income for administration

• Mr. Warren, author of the above article, is Adviser on Refugees and Displaced Persons, Department of State. He served as acting U.S. representative at the tenth session of the ICEM Executive Committee and principal adviser to the U.S. delegation at the eighth session of the ICEM Council.

August 11, 1958 255

¹ For an article by Mr. Warren on the ninth session of the Executive Committee and the seventh session of the Council, see BULLETIN of Jan. 13, 1958, p. 75.

²Mr. McCollum is Deputy Administrator for Refugee Programs, Bureau of Security and Consular Affairs, Department of State.

amounted to \$2,770,779 and for operations \$44,687,186—total, \$47,457,965. Expenditure for administration was \$2,770,647 and for operations \$44,051,140—total, \$46,821,787. The carryover of funds to 1958 totaled \$636,178.

Director's Report for 1957

Mr. Tittmann reported a total movement of 194,074 refugees under ICEM auspices in 1957, the highest annual volume to date. He cited the work of ICEM in cooperation with the governments in reestablishing Hungarian refugees from Austria and Yugoslavia and called particular attention to the more selective requirements of the immigration countries and the changing conditions in the countries of emigration in Europe. In response to the latter, larger intra-European movements of migrants might be envisaged and closer cooperation would be required between ICEM and the European regional agencies working toward the greater mobility of workers. He made a special plea for more consultations under ICEM auspices between emigration and immigration countries in formulating their respective programs and in developing programs of movement to take place with ICEM assistance.

After commenting on certain misleading references in the report to movements to the United States, the U.S. representative complimented the Director on an excellent report.

The French and Danish representatives questioned the Director's forecast that migration from Europe on the scale of previous years would still be required and were not convinced that such movements should be stimulated by the expansion of vocational training for potential migrants.

The Belgian representative expressed gratification that ICEM had moved approximately 350,000 refugees between 1952 and 1957, constituting 46 percent of the total movements secured. This result had been achieved by substantial contributions from governments in cash and openings for refugees and notably in close cooperation with the Office of the U.N. High Commissioner for Refugees. He recognized that current and impending economic reorganization in Europe might affect the volume of migration from Europe in the future and that the momentum of movements previously achieved could not be maintained unless countries overseas were prepared to offer higher standards of living than those available to

workers in Europe under changing European conditions. He urged the emigration and immigration countries most immediately concerned to seek solutions of present difficulties in the migration process.

The Swedish representative acknowledged that 1957 had been a very significant year in ICEM's experience and expressed appreciation of the role which ICEM had played in the movement of refugees and of the services which ICEM had rendered in assistance to his own Government in the selection of refugees which Sweden was willing to receive. He noted the close cooperation which existed between ICEM and the High Commissioner's Office but regretted that the Director's report did not indicate that any agreement had been concluded to define the exact tasks which were to be assigned in the future to ICEM in carrying out this collaboration.

While the Swedish representative supported the principle of the free movement of migrants. he believed that emigration should take place only after governments of emigration had instituted policies of full employment within their countries. ICEM should not appeal to governments for assistance in securing a high volume of emigration but rather should grant international assistance to emigration solely to the sector of the problem which might remain after policies of full employment had been adopted and implemented by governments facing pressures of population. He questioned ICEM's objective to assist the movement of skilled manpower from Europe under a concept of the interdependence of member governments of ICEM and any expansion of ICEM's area of recruitment of migrants, such as to the United Kingdom and Denmark.

The Swiss representative noted that the number of aliens present in Switzerland constituted 11.5 percent of the population of that country in 1957 and 53 percent of the total increase in population since 1955. Switzerland was therefore making a substantial direct contribution toward solving the problems of overpopulation in certain countries in Europe.

Without commenting on the issues raised by the Director's report, the German representative announced that his Government had reached an agreement with the ICEM administration to make a lump sum contribution of DM 3 million to the operational expenditures of the Committee

for each of the years 1958 and 1959. This sum would be in substitution for, but well in excess of, the former per capita contribution payable on the number of migrants estimated to leave Germany in the 2 years in question and would therefore, in effect, include a contribution to the Special Fund. This action was taken to resolve certain internal procedural and political problems arising in Germany with respect to the contribution to ICEM. The German representative expressed the hope that other governments might be encouraged by the action of Germany to make lump-sum contributions to ICEM's operational expenditures and thus provide greater flexibility to the administration in the use of ICEM's free funds. He restated the policy of the German Government to control all assisted movements from Germany, including those of aliens and refugees, by arranging for such movements through formal bilateral agreements with other governments.

Representative Francis E. Walter, who was the alternate U.S. representative, paid tribute to the work which ICEM had done in moving refugees out of Europe but reminded the Council that renewed vigor was required to pursue the basic purpose of ICEM to increase migration from the overcrowded countries. He urged that less emphasis be placed upon actual movements under ICEM's auspices and more emphasis on opening up new opportunities for the flow of migrants to overseas countries.

After a number of representatives had indicated that they would extend their remarks in the discussion of the Third Working Group report, the resolution noting the Director's report was adopted by the Council.

Progress Report

The discussion on the progress report centered on the sharp drop in overall movements out of Europe in the first 4 months of 1958, the necessity for increasing the movement, particularly of Hungarian and Yugoslav refugees from Austria and Italy, and the special problems which the Netherlands Government is facing in the return of an additional 50,000 Dutch nationals from Indonesia. Some representatives considered the drop in movements temporary, not calling for special measures of counteraction, while the

Italian and Latin American representatives considered the trend of lower movements to be of a more permanent nature which should be met vigorously by expanding technical services, such as vocational training, in order to meet the requirements of all countries of immigration for a higher percentage of skilled migrants in their total intake of immigrants. This discussion was inconclusive as the Council voted to note the report.

Report on European Refugees in Far East

The report on refugees of European origin in the Far East received substantial consideration in the Executive Committee and brief formal action in the Council. The report indicated that 2,979 refugees had been moved out of Hong Kong in 1957, leaving 1,141 awaiting transport on January 1, 1958. Between January 1 and May 3, 1958, 385 had entered Hong Kong and 690 had departed, leaving 836 in Hong Kong on May 3. It was estimated that, with a total of 485 entries and 1,360 departures from January through June 1958, 266 refugees would remain in Hong Kong on that date, with 5,000 overseas visas available in Hong Kong for the 10,000 still awaiting Hong Kong transit visas on mainland China.

Governments had contributed a total of \$425,743 in 1957, of which \$129,734 remained available for 1958 movements. Including the carryover from 1957, income in the amount of \$600,683 had been made available to ICEM up to May 3, 1958, for movements in 1958. The Executive Committee recommended that the Director collaborate with the U.N. High Commissioner for Refugees in appealing jointly to governments to contribute additional funds to make possible a total movement in 1958 of over 3,600 refugees from Hong Kong. The Council adopted a resolution to this effect. Switzerland announced an additional contribution at the session.

Budget and Plan of Expenditure for 1958

The administration presented a revised estimate of total movement for 1958 of 126,660. While individual items of this estimate were considered to be high or low according to certain circumstances, the Council finally accepted the total estimate on balance as practical. Both the

August 11, 1958 257

Italian and Greek representatives deplored the reduced possibilities of movements from their countries in 1958, and the Australian, Brazilian, and Canadian representatives agreed to give consideration to these interventions in the further development of their immigration programs during the year.

In response to a Canadian suggestion made at the session of the ICEM Working Group in Washington in February, the administration proposed consideration of four pilot projects for inclusion in the 1958 budget involving total expenditures of \$650,000: (a) a project of research in Latin America, \$50,000; (b) an international vocational training center in Europe, \$250,000; (c) a nursery farm settlement in the Argentine, \$200,000; and (d) a project for training reception and placement officials, \$150,000. In presenting these projects the administration admitted that they were only in the initial stages of development. They were presented in effect as illustrative of the kinds of projects which might conceivably be developed in future efforts to increase the volume of migration from Europe. The proposal of the pilot projects precipitated a lively debate in the Executive Committee which was continued in the meetings of the Council. The Italian representative and the representatives of the Latin American countries urged the inclusion of the projects in the 1958 budget. This would involve authority to the administration to spend funds immediately in implementing the projects proposed.

The representatives of the European Governments generally were frankly skeptical of the desirability of ICEM's becoming involved in the field of vocational training in Europe. considered this to be an area of active interest in the European regional agencies, such as the Organization for European Economic Cooperation and the European Common Market, and in the International Labor Organization. They cited the longer experience of these agencies with the problem of training and the difficulties to be encountered in insuring that migrants trained by ICEM would actually emigrate overseas rather than accept work opportunities which would be increasingly available to them in the developing economic situation in Europe.

Apart from these considerations, the representatives of Australia, Canada, the Netherlands, New Zealand, the Union of South Africa, and the

United States were in principle unwilling to approve projects which their home governments had not had an opportunity to consider in advance and with respect to which they had no present instructions. They also pointed out that the life of the projects proposed would extend over more than one year and that projects of this nature could not wisely be undertaken by ICEM unless the financing of each project to its completion was assured in advance. Although all representatives expressed their willingness to give consideration to any proposals which offered the prospect of stimulating increased movements, many were anxious to consider other proposals which might be developed after further study and were doubtful whether the particular projects proposed by the administration would in fact produce demonstrable results in increased movements.

The U.S. representative reminded the Executive Committee and the Council that ICEM was presently spending approximately \$4 million annually in processing, embarkation, reception, and placement services and in the preparation of migrants for emigration—an expenditure for which dependable sources of corresponding annual income had not yet been developed. It was proposed that these expenditures in the 1958 budget be met by governmental contributions of \$1,500,-000 to the Special Fund; reimbursements from migrants, \$1,150,000; miscellaneous income, \$300,000; and the carryover from operations from 1957, \$388,000. Reimbursements from migrants were on a descending scale and miscellaneous receipts and the carryover of funds from the previous year were undependable sources of income on which to base annually increasing expenditures for services. It would therefore be only sound judgment for ICEM first to secure adequate recurring income, such as from increased government contributions to the Special Fund, to meet present expenditures for services which have the nature of fixed charges before embarking on new projects for which additional new income was not yet in sight. The problem of financing services currently performed had not yet been satisfactorily resolved by the Council.

The response of the Brazilian and Venezuelan representatives to this problem, which has been the continuing concern of the Working Group, was to suggest a reappraisal of the use of ICEM's free funds by the administration with a view to

reducing the amount of such funds applied to the high transport costs of longer-haul movements and to increasing the funds available for more services in facilitating movements from Italy and Greece to the Latin American countries.

The Italian representative posed the issue of the pilot projects by proposing the inclusion of \$500,000 for their implementation in the 1958 budget and plan of expenditure. Such inclusion would carry with it authority to the administration to raise and spend funds for the projects proposed. In the light of the discussion, the administration finally proposed, as a compromise, the inclusion of a supplementary estimate of \$500,000 for pilot projects, with the proviso that such projects could not be initiated or funds raised or spent for their implementation without the express decision and direction of the Council at the next session. This proposal was accepted by the Council, and the budget and plan of expenditure for 1958 in the total amount of \$34,892,646 was thereupon adopted. The total movement envisaged for 1958 was 126,660, a substantial reduction from that of 1957. Some optimism was expressed, however, that movements in the latter half of the year might help to raise this figure.

Third Report of the Working Group

The third report of the Working Group, covering the broad range of unresolved problems which ICEM is facing, specifically recommended the separate presentation in future budgets of the expenditures for transport costs, international or operational services, including grants to voluntary agencies, and services of a technical assistance nature. The report also recommended adoption by the Council of certain principles and policies as a guide to the administration in conducting ICEM's operations. The proposed changes in the presentation of future budgets were readily adopted by the Council in the hope that governments would thereby be encouraged to allocate specific contributions to the expenditures for services after these had been clearly set forth in separate sections of the operational budget.

The Executive Committee in dealing with the Working Group's draft resolution on policies substituted two draft resolutions for the Council's consideration, one dealing with directives to the administration in organizing the financing of movements and the other containing policies of a

more general nature. The resolution on the financing of movements included inter alia a statement of a minimum standard of per capita contribution by governments to specific movements of \$40 per migrant moved. The Council adopted this resolution without debate. The second resolution referred to the interdependence of member governments and listed the objectives of securing greater cooperation among governments and with the administration in formulating migration plans and of broadening the opportunities for migration from Europe by securing better adjustment between the skills of available migrants and the requirements of receiving countries. This resolution was amended by the Council after interventions by the European representatives. Certain policies recommended for Council consideration in the second Working Group report of August 1957 were added to the Executive Committee draft as a result of the discussions, and the resolution as amended was unanimously adopted.

Between February 1952 and December 31, 1957, ICEM moved a total of 762,873 migrants and refugees. Of this total, 348,403, or 46 percent, were refugees of different categories. Hungarian refugees, of whom there were 94,297, constituted the largest single group. In 1956 and 1957 government contributions for the movement of refugees accounted for \$32,229,434 of ICEM's total income.

UNESCO Director General Visits the Department of State

Press release 404 dated July 15

Luther H. Evans, Director General of the United Nations Educational, Scientific and Cultural Organization, met on July 15 with an interdepartmental group at the Department of State to discuss recent developments in the Organization's program and plans for the future. Representatives of the Department of Health, Education, and Welfare, the National Research Council, the U.S. Information Agency, and the International Cooperation Administration participated in the meeting.

Assistant Secretary for International Organization Affairs Francis O. Wilcox, speaking for the Department of State, noted that on July 4 Dr. Evans completed his fifth year as head of

August 11, 1958 259

UNESCO. He pointed out that this Government has watched with particular interest the progress made by UNESCO under Dr. Evans' leadership. He said:

We have been gratified with the steady increase in the effectiveness of UNESCO's program during Dr. Evans' term as Director General. We feel that the adoption of the "major project" concept—programs that deal with problems common to a number of member states—has supplied a needed element of concentration in the Organization's program. Three such projects have been launched.

One in particular, the campaign to extend primary education in Latin America, has drawn an enthusiastic response from the other Americas. Even though the project is still in the initial stages of development, the funds already appropriated to it by individual Latin American governments far exceed the sum allocated to it by UNESCO for the first 2 years of operation. The United States has a special interest in this project because it serves as an effective complement to our bilateral programs in the area of education in Latin America.

After this Washington visit, Dr. Evans will go to Central and South America to discuss with the directors of the program and government representatives the project's future.

Dr. Pickering To Represent U.S. at U.N. Regional Planning Seminar

The Department of State announced on July 14 (press release 401) the designation of Ernest Pickering, dean of the College of Applied Arts, University of Cincinnati, and chairman of the Cincinnati Planning Commission, as the U.S. Representative to the United Nations Seminar on Regional Planning in Relation to Urbanization and Industrialization, which is scheduled to meet at Tokyo, Japan, beginning July 28, 1958.

This seminar is to discuss a variety of problems relating to land use and physical planning, especially as related to urbanization and industrialization. Subject matter will include city planning, regional planning, housing community facilities, transport and communications, and administration and financing. The aim of the seminar is to consider how the problems arising out of rapid urbanization in connection with industrialization can be ameliorated in the Asia and Far East region by sound regional and urban planning.

TREATY INFORMATION

Current Actions

MULTILATERAL

Automotive Traffic

Convention on road traffic, with annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.

Notification by United Kingdom of application to: Bailiwick of Guernsey (with reservations) and States of Jersey (with reservations and declarations), May 28, 1958.

Narcotic Drugs

Convention relating to the suppression of the abuse of opium and other drugs, signed at The Hague January 23, 1912, as amended by the protocol signed at Lake Success December 11, 1946. Entered into force February 11, 1915, and December 11, 1946. 38 Stat. 1912; TIAS 1671 and 1859.

Accession deposited: Indonesia, May 29, 1958.

BILATERAL

Brazil

Agreement amending the agricultural commodities agreement of December 31, 1956 (TIAS 3725 and 3864). Effected by exchange of notes at Washington June 30, 1958. Entered into force June 30, 1958.

Mexico

Agreement providing for the allocation of ultra-high-frequency channels for television. Effected by exchange of notes at México, D.F., July 16, 1958. Entered into force July 16, 1958.

DEPARTMENT AND FOREIGN SERVICE

Designations

Robert W. Zimmermann as special assistant for SEATO affairs, Bureau of Far Eastern Affairs, effective July 21.

William N. Dale as Deputy Director, Office of British Commonwealth and Northern European Affairs, effective July 24.

Barr V. Washburn as Executive Director, Bureau of Near Eastern, South Asian, and African Affairs, effective July 24.

James P. Grant as Deputy Director for Program and Planning, International Cooperation Administration, effective July 28. (For biographic details, see Department of State press release 420 dated July 25.)

| Asia. Dr. Pickering To Represent U.S. at U.N. Regional Planning Seminar | 260 | Treaty Information Current Treaty Actions | |
|--|------------|--|--|
| Atomic Energy | _ | Department Asks Prompt Action on Joint U.S | |
| Department Asks Prompt Action on Joint U.S | | ÉURATOM Program (Dillon) | |
| EURATOM Program (Dillon) . United States and U.S.S R. Exchange Aide Memoire | 247 | U.S.S.R. President Eisenhower and Premier Khrushchev | |
| on Geneva Talks | 235 237 | Exchange Views on Holding Security Council | |
| China, Development Loan Fund Makes First | 23\ | Meeting on Middle East at Summit Level | |
| Private Business Loan | 0` | United Nations | |
| Congress, The Administration Recommends New Passport Legis- | | President Eisenhower and Premier Khrushchev | |
| lation (Eisenhower, Dulles, Murphy) Congressional Documents Relating to Foreign | 250 | Exchange Views on Holding Security Council Meeting on Middle East at Summit Level | |
| Policy | 249 | Name Index | |
| EURATOM Program (Dillon) | 247 | Chamoun, Camille | |
| Department Urges Congress To Appropriate Full Amount Authorized for Mutual Security (Dulles, | | Dale, William N | |
| Dillon) | 239 | Dillon, Douglas | |
| President Signs Bill on Canal Zone Working Conditions | -1-0 T | Eisenhower, President | |
| Department and Foreign Service. Designations | | Evans, Luther H | |
| (Pale, Grant, Washburn, Zimmermann) | 260 | Khrushchev, Nikita | |
| Europe. Department Asks Prompt Action on Joint | | Murphy, Robert | |
| U.SEURATOM Program | 247 | Warren, George L | |
| Germany. Secretary Dulles To Confer With Chancellor Adenauer (Dillon) | 237 | Washburn, Barr V. 296 Wilcox, Francis O. 250 Zimmermann, Robert W. 260 | |
| International Organizations | | | |
| Current Trends in European Migration (Warren). Dr. Pickering To Represent U.S. at U.N. Regional | 255 | | |
| Planning Seminar . UNESCO Director General Visits the Department | 260 | Check List of Department of State | |
| of State | 259 | Press Releases: July 21-27 | |
| Lebanon. President Acknowledges Letter From President of Lebanon | 235 | Press releases may be obtained from the News Division, Department of State, Washington 25, D. C. | |
| Middle East. President Eisenhower and Premier Khrushchev Exchange Views on Holding Security | | Releases issued prior to July 21 which appear in this issue of the BULLETIN are Nos. 401 of July 14, 404 of July 15, and 406 of July 16. | |
| Council Me-ting on Middle East at Summit | 225 | No. Date Subject | |
| Mutual Security | | †414 7 21 U.S. ships DDT (verseas for malaria | |
| Department Urges Congress To Appropriate Full | | eradication. 415 7 22 Dillon: Joint Committee on Atomic | |
| Amount Anthorized for Mutual Security (Dulles, | ann. | Energy. | |
| Development Loan Fund Makes First Private | 550 | *416 7 23 Program revisions for Prime Minister Nkrumah's visit. | |
| Business Loan | 235 260 | 417 7 23 Dulles to step at Bonn en route to | |
| Grant designated deputy director, ICA | 71,47 | Lendon. †418 7 23 Welcoming remarks: Nixon, Nkrumah. | |
| Panama. President Signs Bill on Canal Zone-Working Conditions | | †419 7 24 France to terminate civil air transport | |
| | | agreement. 420 7 25 Grant named ICA Deputy Director for | |
| Passports. Administration Recommends New Passport Legislation (Eisenhower, Dulles, Mnrphy). | 250 | Program and Planning orewrites. | |
| Presidential Documents | | 421 7 25 First DLF 1 an to private business firm. | |
| Administration Recommends New Passport Legis- | | 422 7 25 President sizes legislation on working | |
| larion | 250 | o haliti ns in Canal Zone. 423 7 26 Eisenh wer message to President of | |
| President Acknowledges Letter From President of Lebanon | 235 | Panania. | |
| President Eisenhower and Premier Khrushchev | | 424 7 26 Aide memoire to U.S.S.R. on Geneva- talks. | |
| Exchange Views on Holding Security Council Meeting on Middle East at Summit Level President Signs Bill on Canal Zone Working | 220 | 415 7 26 Decision to cancel nu lear test demon- stration. | |
| Conditions | 237 | *N torintel | |
| Refugees. Current Trends in European Migration | | fH of the later issue of the Bulletin. | |
| (Warren) | 25.5 | | |



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| Vol. XXXIX, No. 999 | August 18, 1958 |
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| SECRETARY DULLES' NEWS CONFER | |
| PRESIDENT SUGGESTS AUGUST 12 AS SPECIAL SESSION OF SECURITY CO MIDDLE EAST PROBLEM • Exchange of ence Between President Eisenhower a Khrushchev | OUNCIL ON of Correspond- nd Premier274 FANCE OF 'ECHNICAL |
| ATTACK Text of U.S. Note | 278 t Eisenhower . 279 |
| VISIT OF THE PRIME MINISTER OF GI | HANA 283 |
| VISIT OF THE PRIME MINISTER OF IT | YALY 287 |

For index see inside back cover

THE DEPARTMENT OF STATE



Vol. XXXIX, No. 999 • Publication 6687 *August 18*, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Secretary Dulles' News Conference of July 31

Press release 438 dated July 31

Secretary Dulles: Any questions?

Q. Mr. Secretary, what do you think could be accomplished at a summit conference on the Middle East problem?

A. I believe that a meeting held under proper auspices would, on the one hand, dispel the false allegations that there is aggression being carried on by the United States or by the United Kingdom in the Middle East. It would, on the other hand, I think, show the danger there of indirect aggression which has so often been condemned by the United Nations. Thereby it might tend to stabilize the political situation, which in turn would make it easier to develop economic programs for the benefit of the people.

Q. Mr. Secretary, can you tell us when the United States answer is going forward?

A. Probably it will be delivered in Moscow tomorrow morning. It is being released here tomorrow morning.¹

Q. Can you tell us, sir, as to whether the United States preferred to have the meeting in New York or Geneva or somewhere else?

A. We have no strong preference as between New York and certain European places. We would not be willing to have the meeting in Moscow, having in mind the recent outrageous demonstrations occurring in Moscow where great mobs attacked and defaced the American Embassy, broke windows, etc. In the light of that we would not go to Moscow.

Q. Mr. Secretary, you have often said a summit conference would not have much chance without adequate preparation or some pros-

peet of success. Now we are about to go into a summit conference. Can you tell us what changed your view about a summit conference?

A. The word "summit conference" is a colloquialism which can mean many different things. Now the summit conference that we have been talking about up until recently has been a conference along the lines that were discussed by Chairman Bulganin and President Eisenhower at the beginning of last December.² That was a conference which, as it was agreed on by both sides, would be designed to settle certain problems relating to disarmament perhaps and things of that sort which lent themselves to a decision at this time, and to have a conversation about other matters which greatly affected the political situation in the world.

That kind of conference we thought ought not to be held until it is well prepared, so that we know what we are going to talk about and know that we are going to talk about some matters which lend themselves to solution at this time.

Now another situation has arisen where there has been made a charge of armed aggression and alleged threat to the peace of the world. That is a different exercise entirely. That is a kind of thing which under the charter of the U.N. we agreed should be brought promptly and urgently to the consideration of the Security Council. That is a totally different matter from the kind of a conference which has been under discussion now for 7 months and which obviously is not the kind of conference that would have to take place under the auspices of the United Nations.

Q. Are you suggesting then that this would be a conference of a kind of charge and countercharge and no more than that?

265

¹ See p. 274.

² Bulletin of Jan. 27, 1958, p. 122.

A. It would be a conference which would, as I said before, dispel the fiction that there is armed aggression going on by the United States or by the United Kingdom and which would, I hope, take steps so that through the United Nations or some international machinery there can be eliminated the indirect aggression which was the cause of the United States and the United Kingdom going in.

The Two Issues

- Q. Mr. Secretary, is it our intention that this summit conference at the United Nations be strictly limited to so-ealled charges of aggression and indirect aggression and not deal with large substantive problems of the whole area?
- A. I would certainly not think it feasible, at a conference of this sort, to deal in a definitive way with the large problems of the area because I feel a program dealing with problems of the area would require a considerable amount of preparation. I do believe that, by dealing with these two specific problems I mention, you lay the foundation for dealing with the broader problems. These should and could be dealt with in a deliberate way. That would require more preparation. But, without disposing of these two issues promptly and effectively, we do not have an environment or a condition which permits you to proceed usefully with these other problems.
- Q. Does that mean, sir, that you rule out the consideration at this meeting of any such matters as an East-West guaranty of the borders of the Arab states and Israel against outside aggression?
- A. I would not think that, within the time available for a Security Council meeting attended by heads of governments, it would be possible to develop to a definitive conclusion anything of that sort. There are ideas that might be agreed upon there, dealing with the stability of the area, which then might be developed later on under other conditions and in a more orderly way.
- Q. Mr. Secretary, presumably the Western governments do not believe that there is aggression in the Middle East as the hostile regime charges, but how do you propose to dispel this allegation, as you say, at a summit meeting, and

- how do you propose to demonstrate the indirect aggression at a summit meeting in a way that you haven't already done so by statements and accusations? I don't quite see what simply the gathering of persons at a summit meeting, unless they are going to do something definitive as you indicate on the broader field—what that will do that has not already been done by various governments?
- A. So far as I am aware, there has been no consideration with the Soviet Union, for example, of the problem of indirect aggression in the area. There have been charges of indirect aggression, surely, but there has been no discussion of the problem. I see no reason why, out of a discussion of the problem, there could not emerge a solution which would tend to stabilize the political situation and, incidentally, make it possible to withdraw United States and British forces from Lebanon and Jordan.
- Q. This is a naive question and you will pardon it, but how do you earry this kind of conversation to Mr. Khrushehev? You sit down—the West sits down with him and says that demonstrably there is no aggression on our part but there is indirect aggression on your part. Is this discussed back and forth? What comes out of this?
- A. What we hope comes out of it is action by the United Nations to help establish conditions of greater political stability there. Now the United Nations has time after time—notably in 1949 and 1950 resolutions—condemned the fomenting of civil strife from without. But it has never done anything to implement those resolutions. I can conceive of several things that could be done to implement those resolutions if it were agreed that it would be a good thing to stop indirect aggression in that area. That is the first thing you need to know. There is no use getting into the details of economic projects and the like if the governments there are going to live under a constant threat of indirect aggression, assassination, and the like.

Now that first basic decision could perhaps be taken—I hope it could be taken. And out of that could spring many other things which could not be finally resolved at this kind of a meeting. But the procedures for working those things out could then be established. But this is the condition precedent to getting these other things under way.

Lebanese Election

Q. Mr. Secretary, will the election of a President in Lebanon facilitate the withdrawal of our forces?

A. I can't answer that question categorically. I may say that I am very glad, indeed, that there has been an orderly election. It at least does away with one of the allegations made: that we were there in order to help assure that President Chamoun would have a second term, which is not now authorized by the constitution.

It shows the complete falseness of that charge, and I think it is well that that should have been exposed at this time. And we are very glad, indeed, that the election took place. Now whether or not that of itself will have a bearing upon the withdrawal of forces I can't say. That depends upon what the attitude of the new Government may be. It depends upon what the United Nations may do. There are a great many things that will bear upon when we withdraw.

The Brazilian Suggestion

Q. Mr. Secretary, Brazil has asked 3 for a larger share, a larger participation, by the Latin American countries in major Western policy decision and in such meetings as the summit meeting that is being prepared now. You are going to Brazil on Sunday, and I wonder if you would tell us your impression of the Brazilian suggestion?

A. The Brazilian position I think is very well taken: that there should be an opportunity for the small nation, for the nations of different areas, to participate in the discussion of matters which, allegedly at least, involve vital issues of war and peace. That has been the basic position of the United States for a long, long time. I recall that I myself had a considerable part in some of the discussions that took place before the United Nations was created. Then there were two concepts. One was the Soviet concept, which Stalin expressed at Yalta when he said that he was willing to join with the United States and with the United Kingdom to protect the small powers, but he never would agree that the small powers have any voice in the making of our decisions. Well, that point of view was reflected by the Soviet

³ See p. 281.

Union at Dumbarton Oaks, when I was down here conferring with Secretary Hull, and again at the San Francisco conference of '45, where Senator Vandenberg and I joined in the battle to have a broader representation, geographically and in terms of small nations, in dealing with great issues of war and peace which might come before the world. Of course, in this case there is the Latin American representation on the Security Council. That is one reason why we believe that this should go before the Security Council, if the issue is going to be whether or not there exists a threat to world peace. If there is a threat to world peace, then there ought to be a broad participation through the Security Council. The Security Council is the body which, under the charter, all the members agreed would represent each of them in the discussion of these problems. And through the participation of Colombia and Panama on the Security Council there will be an opportunity for the Latin American countries to have a voice. Of course, when I am in Brazil, I expect to have a further opportunity to discuss these problems directly with President Kubitschek and the Foreign Minister.

Q. Mr. Secretary, the French Government has announced that it favors a summit conference in Geneva August 18. Premier Macmillan has said he would favor one within the United Nations on the 12th. Could you tell us what our view is as to the time of any such meeting?

A. I think that we would be agreeable to a meeting on the 12th or any date about that time. I think the 12th would be the earliest, and it may be that even that is a little early from the standpoint of making the practical preparations which are necessary. But the date of August 12 is acceptable to us.

Type of Meeting Contemplated

Q. Mr. Secretary, on another point, we have said that we would like to have any such meeting within the framework of the Security Council. Could you tell us specifically, sir, whether this means that we reserve the right to introduce resolutions, have votes, and, if necessary, to use the veto in considering any Soviet charge of aggression?

A. Well, we have never yet used the veto, and I hope we never shall have to use the veto on any

such issue. Now I don't myself think that a meeting of the type that is contemplated is going to be served by the introduction of controversial resolutions and voting upon them. But the United States cannot prevent any member of the Conncil that wants to from introducing a resolution and calling for a vote on it. Therefore we cannot preclude that development. But we don't ourselves seek this kind of a meeting for the purpose of merely registering votes.

We have already registered votes. The Soviet Union brought a resolution of condemnation. That failed, with only one vote in its favor—the vote of the Soviet Union. There have been also resolutions to strengthen the United Nations forces and representation in Lebanon, so that the United States forces could get out. That resolution was defeated by only one vote—the veto vote of the Soviet Union.⁴

Now I don't think there is any point in going through that process again. I think, if there is such a meeting, we should try to deal constructively with the problems that I have mentioned and bring about a recognition of the fact that there is a great danger from the political instability which now reigns from the use of the means of indirect aggression. I think that, unless there is some check to those processes, unless ways are found to discourage them, indeed there may be a very real threat to the peace.

President Eisenhower in one of his letters bointed out that there was a succession of events of aggression, direct and indirect, against small nations, which led up to World War II. He also recalled, and I have recalled here previously, I think, the fact that at that time the Soviet Union urged what it called the "nonaggressive" countries, such as France and the United Kingdom, to intervene to stop this indirect aggression, and pointed out that otherwise, unless it were checked, it would inevitably lead into World War II, as indeed it did.

Now we may be faced with a situation of that kind. And I would hope very much that, if President Eisenhower talked along those terms to Mr. Khrushchev, there could perhaps out of that talk come a realization of the fact that there is a potential danger to the peace out of practices that are now being followed and that all of us who

want peace should try earnestly to find the ways to assure that methods of that sort are abandoned, or at least they become the exception and not, as they now seem to be, the rule.

Q. Mr. Secretary, how do we stand then on Mr. Hammarskjold's proposal for the creation of a subcommittee of the Security Council, which might meet privately and then report back to the full Security Council?

A. I am frankly not aware that Mr. Hammarskjold made such a proposal. It is quite possible he did. But I don't think that you need to formalize the situation by creating subcommittees which might be looked upon as a subterfuge of merely denying other members of the Council a voice. At meetings of this sort there are always talks that take place outside of the Council chamber. I have been to a good many international conferences in my lifetime, and I never yet have been to one where there were not talks that went on outside—not talks exclusively between just two people. Everybody talks around in little groups privately in corridors, dinners, luncheons, and so forth. Those are the things which often make a conference fruitful.

But in my opinion you do not need to formalize a procedure which might have the effect of making the members who weren't on the subcommittee in effect without any voice or any opportunity to be heard in what went on. I say that with all deference to Mr. Hammarskjold, whom I have the greatest regard for, and not knowing whether or not and just what his precise proposal was.

Question of Outside Representation

Q. Do you see any way, sir, that India could have a representative, as both the Russians and British have suggested?

A. Well, there could, of course, be an invitation to India to participate as a nation interested in the subject. Of course, one would have to consider whether, if you invited India under that provision of the charter, you would not have to invite so many more countries that the conference would become practically unmanageable. I remember that, when we were sitting in somewhat of an extraordinary session of the Security Council at the time of the Suez affair, where most of the governments were represented by foreign min-

⁴ Bulletin of Aug. 4, 1958, p. 186.

⁵ Ibid., Aug. 11, 1958, p. 233.

isters, there was then a request by a great many countries to be heard on the grounds that they were interested in the operation of the Suez Canal. And indeed they were. But finally we reached a point where the numbers were such that it was clear they could not all be given an opportunity to participate personally in the discussion, and a way was found for presenting their point of view in writing. I realize that that would not be satisfactory from the standpoint of some of the countries we have in mind. But there is a very serious problem if you start going beyond the composition of the Security Council and the mandatory provision that a party to a dispute must be heard. They have a right to be heard, and I would suppose in this case that would include Lebanon and Jordan. If you go beyond that, then you get yourself involved in a whole series of perplexing difficulties.

As President Eisenhower said in one of his letters to Mr. Khrushchev, when you start to improvise new rules, you generally don't save time but you get yourself involved in a whole series of new problems.

There are demands to participate that are pouring in from all over the world. Now you can deal with them in an orderly way at the Security Council, and I think the orderly way will have to be to hold down the outside representation because otherwise you had better adjourn into a meeting of the General Assembly.

Q. Mr. Secretary, you seem to be saying this afternoon that you and the President do not envisage this conference as the Geneva one of 55 in dealing with general world tensions but rather as a kind of international grand jury in which we would develop our indictment of indirect aggression and would attempt to dismiss or dispel their accusation of direct aggression. Is that a fair inference? And, if it is, do you think that it is neither wise nor necessary now for us to enunciate a new program of permanent stabilization in the Middle East?

A. Well, that is a pretty complicated question. (Laughter)

Q. I didn't mean it to be complicated.

A. Let me say, as far as the first half of it is concerned, I have expressed myself very badly indeed if I gave the impression that I felt that all that would come ont of this conference would be our rebuttal of Soviet charges that we were guilty of aggression in the area. I have, I hope, pointed out this: that, if the practices of indirect aggression as they are being developed at the present time are allowed to persist in the world, and if no way is found to check that, then I think the world is indeed in grave danger of war. I believe that that can be made apparent—should be made apparent. Also I believe that, if the Soviet Union does not want a war, they will almost have to agree that these practices should be brought under some kind of control by the United Nations.

Now, if that is not a constructive proposal, I don't know what could be a constructive proposal. And if that principle is accepted and if you create the conditions which will create political stability, which will not necessarily freeze the existing situation, perpetuate the status quo, but allow it to be changed by orderly methods which do not involve direct or indirect aggression, then you will have laid the foundation under which a great many additional things can grow.

Those things, I think, cannot be fully dealt with although they can be generally portrayed perhaps at such a meeting. But you cannot at such a meeting as this develop detailed economic programs, in my opinion. You can create the climate which makes them possible. You can indicate them in general terms. But the full development of that would have to be, I think, a further step.

Policy Toward Arab Nationalism

Q. What I have in mind in the second part of the question, Mr. Secretary, if I may just get back to it—

A. Yes.

Q.—was whether or not you felt inside or outside a summit meeting it was timely now or would be timely in the very near future to give our policy toward Arab nationalism, for instance, and give our policy toward—or reconnectate it, if you prefer to put it that way—what our policy is toward a peace conference between Israel and the Arab states, leaving these precise economic programs until later?

A. Well, I think that, if you found a receptive atmosphere on some of these basic questions, it would open the way to further solutions of such matters as you discuss. Now let me say on Arab

⁶ Ibid., p. 229.

nationalism there is no opposition that I know of on the part of the United States to Arab nationalism. There are plenty of good reasons why there should be greater unity among the Arab nations. The United States encourages that. We were among the early nations to recognize the U.A.R. when it was formed. Some of our friends held back. We did not. We knew it had some undesirable implications, but, because we did not want to be in opposition to this increased Arab unity, we granted recognition. We were prepared to grant recognition to the Arab Union, another step toward unity. There is no opposition on the part of the United States to an increased Arab unity which expresses, and gives an opportunity to, the aspirations of the Arab peoples. That is one thing. Whether or not in this area of the world or other areas of the world processes of indirect aggression become accepted as proper instruments of national policy, that is a very different thing. That does affect the peace and security of the world.

Q. Mr. Secretary, next month, sir, we are going to have to be dealing with the Soviets in a space race to the moon and in the form of a so-called "potshot" at the moon. If we have an American achievement, if we win, what will be our proprietary rights, if any? (Laughter)

Q. And, if so, will we turn them over to the U.N.? (Laughter)

A. You know, I studied my international law quite a few years ago, before it embraced these subjects. I think you will have to call on one who has gone to law school more recently than me to get the answer to that question.

Q. Mr. Secretary, Mr. Khrushchev has professed to be concerned at our alleged concern about security problems involved in any summit conference in New York. Do you think the security problems in New York would be such as to make it impossible or difficult to hold a summit meeting there?

A. I do not think so. The check which we have made with the authorities in New York indicates that they do not think so.

Recognition of Present Government in Iraq

Q. Mr. Secretary, do you believe that there is a danger that the quick recognition being given to the present Government in Iraq may encourage revolution and violence in Lebanon and Jordan?

A. I do not think that that is the case, although certainly that is a legitimate question to put. This matter was discussed in London on Sunday and Monday when I was there. It was the combined judgment of our friends there, such as Turkey, Iran, and Pakistan, that the recognition was on the whole desirable and would not have the consequence which you indicate. Therefore we shall probably ourselves go along in that judgment. They are closer to the scene than we are. Certainly they are more subject to that danger than we are. So, if they think that under the circumstances recognition is the wise and prudent course, we would give a great deal of weight to their judgment in the matter.

Q. Mr. Secretary, do you consider in your thinking about the summit conference that its end result would be expressed in terms of peoples' attitudes, Mr. Khrushchev's realization about indirect aggression, or, as one of your earlier remarks indicate, that the Security Council meeting with heads of government would actually set or create and set in motion some machinery to do away with indirect aggression?

A. I would suppose that the creation of machinery could not be formalized or finalized at such a meeting as this because, when you pass from the general to the particular, you always find a great many practical problems that have to be dealt with. Probably they could not be dealt with within the compass of this meeting. But there are a number of ideas that are floating around as to action which might be taken to deal with this problem of indirect aggression. For example, one of the new instrumentalities that is extremely potent in doing what the United Nations has condemned, that is, the fomenting of civil strife from without, is the broadcasting from one country into another.

Now it has been suggested, for example, that that kind of a thing, while it can't be controlled and regulated consistently with our ideas of the freedom of the media of information, could at least be checked on by the United Nations—reported on—so that, if it seemed to reach a point

⁷ Secretary Dulles attended a Ministerial meeting of the Baghdad Pact at London July 28-29 (see p. 272).

⁸ For an announcement of U.S. recognition, see p. 273.

where it constituted aggression, a report to that effect could be made. I just throw that out as one sample of what might be done.

Now, to work out the details of that would require more study than could be given at this time. But if in principle it were felt that this was a dangerous process, this indirect aggression, and there was a genuine realization of the danger to all of us that could flow from it, I believe that that change of attitude, as you put it, would then permit some of these things to be worked out. But the technical workout would probably have to come later.

Q. Mr. Secretary, there seems to be a reluctance by General de Gaulle to attend the summit conference under the United Nations Security Council sponsorship. If he refuses to go under the United Nations sponsorship of the Security Council, will the summit conference be held anyway?

A. I think that, if some of the other heads of government came, the meeting would proceed, although I know that everybody would be very regretful if General de Gaulle felt that he could not personally be there. I am sure that France would be very adequately represented, but, of course, we would all hope that General de Gaulle could be there.

Q. Mr. Secretary, is there anything in this contemplated summit meeting that would prevent the Russians from coming there with the broad comprehensive plan for the Middle East on several broad economic, political, and so on plans, and, if they should do that, how would we meet it?

A. I suppose there is nothing in the world that would prevent the Soviet Union or anybody else from outlining a broad picture of what might happen in the area in the way of economic development. I have great reservations as to whether this particular meeting could deal with these things except in a general way. Certainly it is our position, the United States position, that constructive economic developments really have to be dependent upon a greater measure of political stability and political security than exists at the present time. When the principal personalities in a government are living in daily fear of murder and assassination, it's very hard to get their

minds onto a problem of economic development for the next 20 years. They are more interested in the next 20 minutes.

Conditions for Withdrawal of Troops

Q. Mr. Secretary, are you saying that there must be political stability in the Middle East, at least in Lebanon and Jordan, before the United States and Britain can withdraw their troops, and in order to obtain that stability there must be some indication by the Soviet Union to stop what you term indirect aggression?

A. I don't like to adopt precisely those words because there are certain other matters which I know you would recognize were relevant. For example, whatever our views may be, we would not stay in Lebanon after we had been asked to withdraw by the duly constituted Government of Lebanon. We might not think it was wise to withdraw, but we would withdraw under those conditions. By and large, we would think that there ought to be a greater measure of political stability when we come out than was the case when we went in. That would be our hope.

Q. Mr. Secretary, in documenting your thesis of indirect aggression, how far back do you intend to go, and what areas do you intend to cover?

A. The particular area that is being dealt with here is the area of the Middle East. But I would suppose that any procedures that were adopted would have general applicability. The resolutions of the United Nations General Assembly, for instance, the "Peace Through Deeds" resolution of 1950, which condemned the fomenting of civil strife from without as among the worst of all international crimes—that didn't say the fomenting of civil strife in the Middle East was the worst of all crimes. It was general in its character. And, while the particular matter which brings this thing to a head at the moment is in the Middle East, the problem is more general. You may remember that before the Second World War there was aggression against small countries, some of it indirect aggression, going on in the Far East. You also had it going on in Europe. You also had it going on in Africa.

Well, at the moment, the tension is focused on the situation in the Middle East. But the disease

August 18, 1958 271

For text, see Bulletin of Nov. 13, 1950, p. 767.

you're trying to deal with has the potentiality of having evil effects almost anywhere in the world. I think any solution that is sought and found ought to be of general applicability.

Q. Mr. Secretary, I had understood that the principal requirement for a decision to withdraw United States troops from Lebanon was a satisfactory action by the United Nations to secure the integrity and independence of the country. Now you did not state that qualification when you said, "We would withdraw if asked by a duly constituted Government of Lebanon to do so." Is this another basis for withdrawal?

A. Well, it has always been inherent in our position in Lebanon that we were there at the invitation of the duly constituted Government of Lebanon and that we would not stay after a duly constituted Government of Lebanon asked us to come out. Now I put that on as an appendage to the question I had been asked, which was whether in general we did not want our withdrawal to be coincident with the establishment of better conditions of international stability through the United Nations processes or otherwise.

Now the action which the Secretary-General is taking along the lines of the Japanese resolution ¹⁰ tends to be another measure which the United Nations can take. And the precedent set there might also have general applicability.

I gave one illustration of what might be done. A good many people think there ought to be a standing group of the United Nations which could go to any place which felt itself endangered by this type of indirect aggression and throw a kind of mantle of security around it. If that were done in Lebanon, perhaps in Jordan, that would perhaps establish a precedent.

Q. Mr. Secretary, since the Kremlin has been intent for a long time on trying to split the Western allies, has it been disturbing to us that Mr. de Gaulle seemed to prefer Khrushehev's proposal for a summit meeting to our own?

A. I do not think that that difference touches in any way upon the fundamentals of our relationship or upon our alliance. Naturally, we would like it if we all agreed. But I have oftentimes pointed out that one quality which the free

¹⁰ Ibid., Aug. 4, 1958, p. 199.

nations have and must have is diversity. And diversity, if shown within reasonable limits, would not break the free world apart. This will not break it apart.

Q. Mr. Sceretary, do you see any prospect in this matter of indirect aggression of getting back into that debate that has been going on in the United Nations for several sessions now on writing into the charter or by resolution a definition of aggression?

A. I do not think that that is desirable. I remember that it was discussed at San Francisco in '45. I can remember very well Mr. Anthony Eden, who was there at that time, saying he was opposed to any definition of aggression because, when you tried to define what aggression is, then somebody can almost always find a way around it.

Q. Thank you, sir.

Ministerial Meeting of Baghdad Pact

Following is the text of a declaration issued at London on July 28 by the nations attending the Ministerial meeting of the Baghdad Pact, together with the text of a final communique issued on July 29 at the close of the meeting.

TEXT OF DECLARATION

Press release 431 dated July 29

- 1. The members of the Baghdad Pact attending the Ministerial meeting in London have reexamined their position in the light of recent events and conclude that the need which called the Pact into being is greater than ever. These members declare their determination to maintain their collective security and to resist aggression, direct or indirect.
- 2. Under the Pact collective security arrangements have been instituted. Joint military planning has been advanced and area economic projects have been promoted. Relationships are being established with other free world nations associated for collective security.
- 3. The question of whether substantive alterations should be made in the Pact and its organization or whether the Pact will be continued in its

present form is under consideration by the Governments concerned. However, the nations represented at the meeting in London reaffirmed their determination to strengthen further their united defence posture in the area.

4. Article I of the Pact of Mutual Co-operation signed at Baghdad on February 24, 1955 below that the parties will co-operate for their security and defence and that such measures as they agree to take to give effect to this co-operation may form the subject of special agreements. Similarly, the United States, in the interest of world peace, and pursuant to existing Congressional authorisation, agrees to co-operate with the nations making this Declaration for their security and defence, and will promptly enter into agreements designed to give effect to this co-operation.

Manouchehr Eghbal
Prime Minister of Iran
Malik Firoz Khan Noon
Prime Minister of Pakistan
Adnan Menderes
Prime Minister of Turkey
Harold Macmillan
Prime Minister of the United Kingdom
John Foster Dulles
Secretary of State, United States of America

A significant Declaration was signed on July 28. The member governments represented welcomed the new initiative of the United States as set out in paragraph 4 of the Declaration, whereby the United States agreed to cooperate with the other nations making the Declaration for their security and defence.

The Ministers exchanged views on the world situation with particular reference to the Middle East. They expressed their concern at the recent examples of aggression by indirect means. This represents a spreading and dangerous threat to the independence and territorial integrity of sovereign states and should be combatted by all possible legitimate means including action by the United Nations. In this connection, the Ministers appreciated the recent prompt action taken in accordance with the principles of international law and in conformity with the United Nations Charter, by the United Kingdom and the United States of America in responding to the call for help of the lawful governments of Lebanon and Jordan.

The Ministers agreed to maintain the close contact existing between their Governments in order to achieve the aims and purposes of their association for mutual cooperation and to strengthen their ability to resist direct or indirect aggression.

TEXT OF COMMUNIQUE

The Baghdad Pact Council met, as previously scheduled, in London on July 28 and July 29. The delegations from member countries present were led by:

- (i) His Excellency Dr. Manouchehr Eghbal, Prime Minister, Iran.
- (ii) His Excellency Malik Firoz Khan Noon, Prime Minister, Pakistan.
- (iii) His Excellency Mr. Adnan Menderes, Prime Minister, Turkey.
- (iv) The Right Honourable Harold Macmillan, Prime Minister, United Kingdom.

The United States delegation was led by Secretary of State, the Honourable John Foster Dulles.

Mr. Harold Macmillan, Prime Minister of the United Kingdom, was in the chair.

U.S. Recognizes Government of Republic of Iraq

Press release 440 dated August 2

The U.S. Ambassador in Baghdad on August 2 delivered a note 1 to the Ministry of Foreign Affairs of the Republic of Iraq taking note of the assurances transmitted through the Secretary-General of the United Nations that Iraq declares itself bound by the United Nations Charter and its other international obligations. In the note the U.S. Government accepted these assurances and extended recognition to the Government of the Republic of Iraq with the expression of its good wishes. Ambassador Waldemar J. Gallman continues in his post as Ambassador to Iraq.

¹ Not printed here.

¹ Not printed here.

President Suggests August 12 as Date for Special Session of Security Council on Middle East Problem

Following is an exchange of correspondence between President Eisenhower and Nikita Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.

THE PRESIDENT TO PREMIER KHRUSHCHEV

White House press release dated August 1

August 1, 1958

Dear Mr. Chairman: For several centuries personal correspondence between Heads of Government and Heads of State has been an extremely valuable channel of communication when the normal diplomatic channels seemed unable to carry the full burden. However, it has always been recognized—not just as a matter of diplomatic form but as a requirement of efficacy—that the essential ingredient in such correspondence, whether confidential or public, was a tone of serious purpose and an absence of invective.

It is in this tradition that I reply to your letter of July 28.

I consider it quite inaccurate for you, both implicitly and explicitly, to convey the impression that the Government of the United States has embarked on a policy of delay based on niggling procedural argument. The fact is that the differences between us are not procedural but basic.

Very simply, the two basic points which the United States has stated many times in the past, and which I repeat now, are (a) do all of us, the Charter Members of the United Nations, agree that the United Nations Security Council has the principal responsibility for the maintenance of international peace and security; and (b) shall

small nations as well as a few so-called "great powers" have a part in the making of decisions which inevitably involve them?

As to my first point—What of the United Nations? It was created out of the travail of World War II to establish a world of order and of justice. It embodied and still embodies the hopes of mankind. At this juncture, when you claim peace is endangered, you would push it aside—we would invoke its processes.

This leads to my second point—What of the smaller powers of this world? Shall they be ignored or shall the small nations be represented in the making of decisions which inevitably involve them? History has certainly given us ample proof that a nation's capacity to contribute to the advancement of mankind is not to be measured by the number of divisions it can put in the field. You must be aware, as I am, of the many very specific proposals made these last years by the so-called smaller powers which have been of great value to all of us.

The stated assumption in your letter that the decisions of five great powers will be happily accepted by all other interested powers seems to indicate an attitude on your part which could have dangerous consequences in the future for the smaller powers of this world.

Your position, which means that the desires, the dignity, in fact the security, of the smaller nations should be disregarded, is one which the United States has consistently opposed and continues to oppose today. Essentially you are proposing that we should join you in a policy reminiscent of the system of political domination you imposed in Eastern Europe. The United States cannot accept that point of view.

The problem of the Middle East is not one of a threat of aggression by the United States but

¹ For the July 19 and 22 and July 23 and 25 exchanges of letters, see Bulletin of Aug. 11, 1958, p. 229.

rather the threat, by others, of further indirect aggression against independent states. This problem is clearly the responsibility of the United Nations Security Council.

I am, therefore, instructing the United States Permanent Representative to the Security Council to seek a special meeting on or about August 12 of the Security Council under Article 28 (2), which would permit direct discussions among Heads of Governments and Foreign Ministers. I would hope that you would similarly instruct your Permanent Representative. Such a meeting will make it possible for the Council to discharge its responsibilities in the manner contemplated by the Charter.

As for the place of the meeting, the United States agrees that the meeting might be held elsewhere than New York City but we could not agree to the meeting being held in Moscow. The memory of the well-organized mass demonstration and serious damage to the United States Embassy in Moscow is too fresh in the minds of the American people.

If such a meeting is arranged, I expect to attend and participate and I hope that you would do likewise.

Sincerely,

DWIGHT D. EISENHOWER

PREMIER KHRUSHCHEV TO THE PRESIDENT

Unofficial translation

Mr. President: I received your communication of July 25 which is an answer to my communication of July 23 regarding the convocation of a conference of Heads of Government.

Regrettably, I am obliged to state that in this reply the Government of the USA diverges from its position taken on July 22 about an urgent convocation of a special meeting of the Security Council with the participation of the Heads of Government for examining the situation in the area of the Near and Middle East.

Now it is clear that the Government of the USA is carrying on matters to delay the convocation of the conference of the Heads of Government and does not want that this conference should take urgent measures for the peaceful solution of the military conflict that has arisen in the region of the Near and Middle East.

It cannot but be noted that your agreement to the convocation of the conference of the Heads of Government within the framework of the Security Council, which you mentioned in your communication of July 22, was positively interpreted in all countries. The agreement of the USSR, the USA, Great Britain, France

and India regarding the meeting of the Heads of Government brought some reassurance, and the peoples with full justification expected that this conference would take place as soon as possible and would guarantee the preservation and strengthening of peace in the Near and Middle East. The Soviet Government expressed its agreement with this proposal of Mr. Macmillan, inasmuch as the Prime Minister of Great Britain, proposing to carry out a conference of the Heads of Government within the framework of the Security Council, stated explicitly that in the course of this conference it was not desirable to introduce any resolutions if they do not originate from previous agreement and that the objective of our joint work would be to achieve fruitful agreement and not the fixation of disagreements by means of voting.

Your current reply represents a step backwards from the achieved agreement and, naturally, cannot but evoke serious anxiety among the peoples. The Government of the USA proposes that instead of the examination by the Heads of Government of the five powers of the situation dangerous for peace in the Near and Middle East, this question should again be transferred to a regular session of the Security Council of the UN. This proposal is now also supported by the Prime Minister of Great Britain, Mr. Macmillan. But what can this bring? You, of course, know well that the Security Council, as the experience of its last sessions showed, is not capable in its regular meetings to adopt an urgent and effective solution for this question. In this region an unceasing accumulation of armed forces is taking place and it more and more is becoming a powdermagazine which can explode from the smallest spark and evoke a world catastrophe.

In these circumstances it is necessary in the quickest manner for the Heads of Government of the five powers—the USSR, the USA, Great Britain, France and India—to meet, with the participation of the Secretary-General of the UN, who being invested with high authority could reach an agreement about the quick termination of the military conflict in the region of the Near and Middle East and about measures for preserving and strengthening universal peace.

It is entirely evident that if we with complete sincerity desire to find a way for reducing tension then we must agree that in the present instance these five powers must first reach agreement on the necessary measures for preserving and strengthening peace. Can anyone doubt that, if these powers succeed in reaching agreement about the immediate termination of the armed conflict in the Near and Middle East, any other state which is actually interested in strengthening peace would welcome and support such a solution (sic).

The proposal of Mr. Macmillan on July 22 about holding a conference of the Heads of Government within the framework of the Security Council envisaged a meeting of the Heads of Government of such a character. But, as I have already noted, at the present time you, Mr. President, and the Prime Minister of Great Britain diverge from this proposal. One cannot but see that in this manner a course is being taken in order to bury the

August 18, 1958 275

agreement already achieved about the most rapid meeting of the Heads of Government of the USSR, the USA, Great Britain, France and India.

We cannot accept this.

The Soviet Government firmly stands on the position of struggling for the preservation and strengthening of peace, on the position of the peaceful co-existence of states irrespective of their social-economic systems. The Soviet Government consistently comes out for the solution of conflicts by peaceful means through negotiations. Therefore we insist upon the immediate thwarting of aggression, upon the immediate withdrawal of troops of the interventionists from the territories of Lebanon and Jordan.

According to our deep conviction a meeting of the Heads of Government of the five powers, with the existence on all sides of sincere striving for this, would assist in finding a way and possibilities for liquidating the armed conflict and for introducing reassurance in the region of the Near and Middle East.

In this connection the Soviet Government expresses its satisfaction with the view expressed by the Head of Government of France, Mr. de Gaulle, in his communication of July 26 that he supports the proposal of the convocation without delay of a conference of the Heads of Government of the five powers with the participation of the Secretary-General of the UN, which, as we understand, does not diverge from the proposal of the Soviet Government on this question. We consider, as we announced earlier, that this would be the most correct course which could guarantee a rapid achievement of a solution of the urgent problem of terminating the military conflict in the Near and Middle East.

To delay further the convocation of the conference of the Heads of Government, a reference is made in your communication to the fact that supposedly a misunderstanding took place of the formulation about the meeting of the Heads of Government made by the Government of the USA. In this case one cannot but ask whether this formulation was specially proposed in such a form in order that it give grounds for differing interpretations and lead to the loss of time in correspondence for making more precise its meaning. Inasmuch as you in your communication of July 22 expressed agreement for participating in a special session of the Security Council with the participation of the Heads of Government, we in the resulting conditions could not but understand this as your agreement for the quickest convocation of such a session. Now you, diverging from the quickest convocation of the session, recommend to take up again the reading of your letter of July 22. Is it possible to understand these words of yours any differently than as a testimony of the fact that the Government of the USA clearly does not want measures to be taken for thwarting the armed intervention in Lebanon and Jordan in the quickest manner (sic)?

I will not disguise, Mr. President, that the line of the Governments of the USA and Great Britain in fact for rejecting a conference of the Heads of Government cannot but evoke anxiety among the peoples, who with impatience await for the armed conflict in the Near and Middle East to be put to an end and for measures to be adopted for preserving and strengthening universal peace.

In all countries representatives of the public with anxiety ask the question-do not the Governments of the states, who are responsible for the current tense situation in the Near and Middle East, want to blunt the vigilance of the peoples and on the sly to prepare for new acts of aggression. Of course, for the Government of the USA it is better known than to anyone else that American forces continue to debark in Lebanon where, with the support and cover of American bayonets, the Special Emissary of the State Department Murphy has undertaken suspicious activity and who unceremoniously interferes in the internal affairs of Lebanon. The concentration of American Naval Forces is taking place in the eastern part of the Mediterranean Sea, American reinforcements are being sent by air from Europe to the Near and Middle East, and especially, to Turkey in the area of Adana. In this connection the extensive preparation for armed interference in the affairs of the Arab East, which has taken place recently in Turkey itself, attracts special attention. King Hussein of Jordan, who has lost the support of his people and depends on the assistance of the interventionists, dares to rattle sabers and to threaten a march on Baghdad. He appears as an obedient tool in the hands of known Western powers which have plotted against the peoples of the Arab East. A clear tendency to expand the region of aggression is noted. The threat of an armed attack hangs over the Iraq Republic.

Thus a delay in the negotiations about a meeting of the Heads of Government of the five powers, which is accompanied by an ever larger accumulation of armed forces in the Near and Middle East, leads to a further sharpening of the situation, to a broadening of the conflict, and can lead humanity to a catastrophe.

Now, as never before, rapid and energetic action is necessary which would guarantee the immediate withdrawal of foreign forces from Lebanon and Jordan and would make the widening of the area of military conflict in the Near and Middle East impossible. There is no time to be lost.

It is impossible, however, not to mention that instead of facilitating the urgent convening of a conference of the Heads of Government with the aim of immediately putting an end to the armed conflict in the region of the Middle and Near East, the Government of the USA is sending its Secretary of State to London to a meeting of the members of the Baghdad Pact. Hasty attempts are being made somehow to patch up this Pact, the withdrawal from which by the only Arab country, traq, is evidence again of the failure of the policy conducted "from a position of strength" by the Western states, a policy of knocking together aggressive blocs. At the same time the Government of the USA seeks in every way possible to hamper the solution of what is now the main problem, and of that for which all humanity is now waiting, the question of the ending of the armed intervention of the USA and Great Britain in the Near and Middle East; it seeks to lead the discussions about the meeting of the Heads of Government into a labyrinth of endless discussions about the form and procedure of this meeting.

A conference in London of the representatives of the Governments of Great Britain, the USA, Turkey, Pakistan and Iran looks like a plot against the Arab countries under conditions when, instead of the withdrawal at full speed of the foreign forces from Lebanon and Jordan, the preparation for armed intervention in the affairs of the Iraq Republic goes forward. Isn't all this being done in order to arrange for new acts of aggression and by means of conducting a policy of faits accomplis to face the world with an ever larger and larger widening of the military conflict? But it is impossible not to consider the serious consequences of such a policy, particularly for its initiators, insofar as peoples in our time are sufficiently vigilant and cannot reconcile themselves with acts of aggression.

The Government of the USA is doing everything in order to frustrate a meeting of the Heads of Government of the five powers, which ought to put an end to the armed intervention in Lebanon and Jordan and take timely measures for the maintenance and strengthening of universal peace.

Consequently, you are not on the road toward a solution of the military conflict, which has begun in the Near and Middle East, in the interests of the maintenance and strengthening of peace, but you are conducting the affair toward a widening of the area of military conflict and you are placing before humanity the threat of a world catastrophe. Thereby you, in the first Instance, assume the heavy responsibility before humanity and history for the consequences of such a policy of the Government of the USA. A heavy responsibility also lies on the Prime Minister of Great Britain, Mr. Macmillan, who, although he tries to equivocate, conducts essentially the same policy, aimed at the frustration of the adoption of any measures for the liquidation of the military conflict in Jordan and Lebanon.

In view of the extraordinarily tense situation created in the region of the Near and Middle East, the Soviet Government considers essential, as before, the immediate convening of a conference of the Heads of Government of the USSR, the USA, Great Britain, France and India with the participation of the Secretary-General of the UN.

As to the place for the conduct of this conference, we directed attention to the statement of the Head of the Government of France, Mr. de Gaulle, in his message of July 26, that he prefers that this meeting take place in Europe. The Soviet Government has already previously expressed itself in favor of having the meeting take place in Europe, and supports the proposal of Mr. de Gaulle. It is all the more necessary to consider the question of conducting the conference in one of the cities of Europe since voices are heard among the diplomats of the USA and in the American press that the American authorities will meet with difficulties in the matter of guaranteeing the

security of the Heads of Government if the conference is called in the USA. We did not want to place the Government of the USA in an embarrassing position on this question. Therefore, not objecting to the convening of a conference in New York as before, the Soviet Government agrees to a meeting in Geneva, Vienna, Paris, or in any other place acceptable to all the participants. We would also welcome the reaching of agreement about the meeting of the Heads of Government in Moscow whereby the Soviet Government guarantees for the delegation full security and necessary conditions for fruitful work. We are convinced that the Soviet people would welcome envoys who would arrive in order to adopt urgent measures for terminating the conflict in the Near and Middle East and for strengthening universal peace, and the Soviet people would demonstrate their inflexible devotion to the matter of peace.

In your communication the question is avoided about the participation of the Prime Minister of India in the conference of the Heads of Government. In connection with this I consider it necessary to underscore again that the participation of India in the mentioned conference would have great significance for achieving constructive solutions for settling the situation in the Near and Middle East.

As to the date for holding a conference of the Heads of Government with the participation of the Secretary-General of the UN, we named the date July 28. Inasmuch as you stated that this date is too early for the Government of the USA, we are ready for another early date and would want to receive a clear reply to this question about when the USA would be ready to participate in a conference of the Heads of Government of the five powers. I would want to receive from you, Mr. President, as rapid a reply to my communication as possible. With respect,

N. KHRUSHCHEV

July 28, 1958

His Excellency
DWIGHT D. EISENHOWER,
President of the United States of America,
Washington, D. C.

Letters of Credence

Paraguay

The newly appointed Ambassador of Paraguay, Juan Plate, presented his credentials to President Eisenhower on July 29. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 430.

August 18, 1958 277

U.S. Acknowledges Soviet Acceptance of President's Proposal To Hold Technical Talks on Safeguards Against Surprise Attack

Following is the text of a note delivered on July 31 by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs concerning the prevention of surprise attack, together with the text of a letter of July 2 to President Eisenhower from Nikita Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.

U.S. NOTE

Press release 436 dated July 31

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and has the honor to refer to the letters of May 9, 1958 and July 2, 1958 from Prime Minister Khrushchev to President Eisenhower with regard to the problem of preventing surprise attack. The Prime Minister's letters commented upon the proposals of the United States on this subject and advanced certain additional proposals of the Soviet Government. The Government of the United States would like now to reply to these letters insofar as they relate to this important question.

As President Eisenhower pointed out in his letter of April 28, 1958,² the United States is determined that the Soviet Union and the United States ultimately reach an agreement on disarmament. As an effective means of moving toward ultimate agreement, he proposed that technical experts start to work immediately upon the practical problems involved. In this connection, he raised the question whether both sides would not be in a better position to reach agreements if there were a common accepted understanding as to methods of inspecting against surprise attack. It

is noted that Prime Minister Khrushchev now suggests that appropriate representatives-including those of the military agencies of both sides, e. g., at the level of experts—designated by the Soviet Union, the United States and possibly by the governments of certain other states meet for a joint study of the practical aspects of this problem. Accordingly, the United States proposes that qualified persons from each side meet for a study of the technical aspects of safeguards against the possibility of surprise attack. They should concentrate on the means and objects of control, and on the results which could be secured from these safeguards. The discussions could bear, if necessary, on the applicability of inspection measures to various areas for illustrative purposes only, but without prejudging in any way the boundaries within which such measures should be applied. It will be recalled that the United States has always favored the broadest possible application of such measures, and that in fact in President Eisenhower's initial proposal in 1955 he suggested that the entire territories of the United States and the Soviet Union be open to inspection. The United States assumes, on the basis of Prime Minister Khrushchev's letter of July 2, 1958 that the Soviet Government agrees that these discussions would take place without prejudice to the respective positions of the two Governments as to the delimitation of areas within which safeguards would be established, or as to the timing or interdependence of various aspects of disarmament. The United States does not agree that the particular areas to be supervised as against surprise attack should be those indicated by Prime Minister Khrushchev's letter of July 2, 1958.

In this connection, the Government of the United States must indicate disagreement with Prime Minister Khrushchev's statement that the

¹ For text, see Bulletin of June 9, 1958, p. 940.

² Ibid., May 19, 1958, p. 811.

proposals relating to zones of inspection against surprise attack put forward by the United States, United Kingdom, and France on May 28, 1958 3 fail to strike a balance between the interests of both sides. It is the zones of inspection proposed by the Soviet Government which are subject to this criticism. This is particularly true of the European zone proposal which covers only a very limited area, scarcely touching Russian territory and far too small to cover the areas from which a surprise attack would be launched under modern conditions. Moreover, this proposal seems to be motivated by the political desire to crystalize the present dividing line in Europe since it is calculated from the "line of demarcation" between NATO and the Warsaw Pact.

The United States believes, however, that joint technical studies would make it easier to reach agreement later at a political level on the definition of the regions in which the safeguards would apply. Accordingly, the United States proposes that during the first week of October, which is the earliest date by which preparations adequate to the significance and complexity of the task can be completed, these discussions begin in Geneva. In view of the Charter responsibilities of the General Assembly and the Security Couneil of the United Nations in the field of disarmament, the United States would propose to keep the United Nations informed of the progress of the talks through the Secretary General. Further arrangements for the meeting can be concluded through diplomatic channels.

In his letter of May 9, 1958 in particular, and again on July 2, 1958, Prime Minister Khrushchev also referred to the question of United States military flights especially in the Arctic area.

The United States regrets that unfounded charges continue regarding United States flights in the Arctic area and that the Soviet Union continues to reject United States proposals for a timely international inspection system in this area which would serve the end which the Soviet Union proposes, namely "to prevent this area from becoming a hot bed of military conflict between our countries."

It is stated that the proposal of the United States for inspection in this area, a proposal which commanded general support not only in the United Nations Security Council * but throughout the world, is no solution because the United States did not promise to suspend atomic bomber flights in the direction of the Soviet Union if an Arctic zone were established.

With respect to that statement, the United States desires to correct the apparent misunderstanding concerning atomic bomber operations of the United States. The greater portion of the Arctic zone air space is internationally free. There is considerable military aviation activity in that area, participated in by the United States, the Soviet Union, and other nations of the world. The statements of the Soviet representative in the United Nations Security Council, however, indicate concern that in this or other areas military aircraft of the United States armed with hydrogen and atomic bombs may have been sent in the direction of the borders of the Soviet Union as a result of a misinterpreted radar blip or other false alert. The Government of the United States gives categorical assurances that the United States has never had the need to launch nor has it in fact ever launched any atomic bomber flights of this type. Furthermore, if dependable and adequate safeguards were to be provided against surprise attack, then, of course, any United States flights entering, leaving or operating within an Arctic zone would conform to agreed control measures.

The United States believes that technical discussions of measures to reduce the possibility of surprise attack, even though made without reference to particular areas, will produce a fuller realization of the value of an Arctic zone, and pave the way for agreement on safeguards in this and other regions. Such technical discussions would also be helpful in determining whether a meeting of heads of government would provide opportunity for conducting serious discussions of major problems and would be an effective means of reaching agreement on significant subjects.

PREMIER KHRUSHCHEV'S LETTER TO THE PRESIDENT

Official translation

DEAR MR. PRESIDENT: I am addressing this letter to you in order to make a proposal for joint steps toward solving the problem of preventing surprise attack.

³ Ibid., July 7, 1958, p. 12.

⁴ For background, see *ibid.*, May 19, 1958, p. 816.

The tension in present international relations and the continuing acceleration of the tempo of armament by states, especially in the production of ever more destructive types of weapons of mass destruction, makes it necessary, in our opinion, to reach agreement on the adoption of measures for preventing the possibility of surprise attack by one state against another, along with initial measures for restricting the armaments race such as, for example, the universal cessation of nuclear weapons tests. The Soviet Government, attaching great significance to this matter, proposed, as you know, that it be included in the agenda for the meeting of heads of government.

I must say that recently the problem of preventing surprise attack has become especially acute in view of the fact that the United States of America has introduced the dangerous practice of flights by American military aircraft carrying atomic and hydrogen bombs over the territories of a number of West European states and in Arctic areas in the direction of the USSR borders.

The Soviet Government has already expressed its opinion repeatedly concerning such acts on the part of the United States Air Force. To what has been said only one thing may be added: on the day when the American Government issues the order to cease flights of this kind, the danger of atomic war, which threatens mankind, will be greatly reduced.

From your messages addressed to the Soviet Government, we know that the Government of the USA agrees that at a summit conference it is necessary to discuss the question of eliminating the danger of surprise attack. This is gratifying to us, since agreement by both sides on the desirability of considering such an important question is in itself a great achievement.

However, there is still another side to the question which must not be forgotten. Settlement of the problem of the prevention of surprise attack is possible, of course, only if the interests of all parties are taken into account in an equitable manner, wherein no single state will be placed in an unequal position from the standpoint of ensuring the interests of its security.

The Government of the USA is familiar with the proposals of the Soviet Government regarding specific measures for preventing the possibility of surprise attacks The Soviet Union proposes that agreement be reached concerning the establishment of control posts at railway centers, large ports, and major highways, in combination with specific disarmament measures, and concerning aerial photography in areas that are of great significance from the standpoint of preventing the danger of surprise attack. In particular, we are prepared to reach agreement on reciprocal aerial photography in the zone of concentration of the main armed forces of the two groupings of states in Europe to a depth of 800 kilometers east and west of the line of demarcation between those forces. The Soviet Government also proposes, in addition to the zone in Europe, the establishment of a zone of aerial inspection which would include a portion of Soviet territory in the Far East and a corresponding portion of the territory of the USA.

The said proposals are based on equal consideration for the security interests of the parties concerned. For example, they provide for aerial inspection over territories of equal size belonging to the USSR and the USA. These proposals have also taken into consideration those previously advanced by the Western Powers, and by the Government of the USA in particular. That is why it seems to us that these proposals might constitute a suitable basis for agreement. Unfortunately, they have not hitherto met with a positive attitude on the part of the Government of the USA.

We have studied with due attention the counterproposals advanced by the Government of the USA jointly with the United Kingdom and France. However, it must be stated that the proposals of the three Western Powers on this subject that were transmitted to the Soviet Government on May 28 of this year do not indicate a desire to seek agreement by joint effort concerning methods of preventing surprise attack. Although the document of the three Powers mentions the necessity for following a realistic course and for considering equally the legitimate interests of security of all the states concerned, the proposals contained therein concerning the prevention of surprise attack are obviously not in accord with these statements.

Thus, in the matter of preventing the possibility of surprise attack, we have so far reached agreement only in the sense that both sides recognize the importance of this task and the desirability of its consideration at a summit meeting. Yet, as far as specific methods of solving this problem are concerned, we are still far from agreement. However, it appears to me that agreement on this point is also fully possible, if only all parties would base their position on the necessity of taking into account the security interests of each of the parties to the agreement and refrain from actions that would aggravate the situation and increase the danger of war.

Mindful of the importance that agreement on joint measures for the prevention of surprise attack by one state against another would have for the preservation of universal peace, I should like to propose to you, Mr. President, that the governments of our countries show practical initiative in this important matter. In the opinion of the Soviet Government it would be useful if in the near future the appropriate representatives—including those of the military agencies of both sides, e. g., at the level of experts—designated by the Governments of the USSR, the USA, and possibly by the governments of certain other states, met for a joint study of the practical aspects of this problem and developed within a definite period of time, to be determined in advance, recommendatious regarding measures for the prevention of the possibility of surprise attack. The results of these negotiations could be considered at a meeting of heads of government. Such preliminary work would undoubtedly facilitate the adoption of a decision on this question at the meeting itself.

We hope that this proposal will meet with a favorable attitude on the part of the Government of the United States and that the joint efforts of our two countries will bring about a strengthening of trust between states, which is so necessary for ensuring peace throughout the world.

With sincere respect.

N. Khrushchev Moscow, July 2, 1958

His Excellency

DWIGHT D. EISENHOWER,

President of the United States of America,

Washington, D. C.

U.S. and Germany Discuss Middle East Situation

Following is the text of a joint communique issued at Bonn on July 26 at the conclusion of a meeting between Secretary Dulles and Konrad Adenauer, Chancellor of the Federal Republic of Germany.

Unofficial translation

Chancellor Konrad Adenauer and the United States Secretary of State John Foster Dulles discussed the current political situation for several hours in Bonn this afternoon. The following persons participated in the meeting: Ambassador David K. E. Bruce, Minister William C. Trimble, William Rountree, Assistant Secretary of State for Near Eastern, South Asian and African Affairs, Andrew H. Berding, Assistant Secretary of State for Public Affairs, Gerard Smith, Assistant Secretary of State for Policy Planning, and Loftus Becker, the Legal Advisor, Foreign Minister Heinrich von Brentano, State Secretaries von Scherpenberg, Globke and von Eckardt, as well as Ministerial Direktor Dittmann and the German Ambassador to the United States Grewe.

A detailed exchange of views took place concerning questions connected with the Near East situation. In this context a discussion was held as to what procedure would offer the best opportunities for a solution. The talks took place in an atmosphere of friendship and frankness, characteristic of the relations between the two countries as well as between the German Federal Chancellor and the United States Secretary of State. A complete clarification was achieved of the motives and intentions which recently guided the attitudes of the two Governments. There was also full agreement on the assessment of the cur-

rent situation and the conclusions to be drawn from it.

Secretary of State Dulles is leaving Bonn tonight for London. ¹

U.S. and Brazilian Presidents Support Summit Meeting at U.N.

Following is an exchange of correspondence between President Eisenhower and Juscelino Kubitsehek de Oliveira, President of the United States of Brazil.

White House press release dated July 26

President Eisenhower to President Kubitschek

July 25, 1958

DEAR MR. PRESIDENT: I wish to thank you for your letter of July twenty-third concerning a possible meeting of Chiefs of State on the present world crisis, and to express my appreciation for your initiative in conveying to me your opinion on this highly important matter.

I am particularly pleased to receive your support, Mr. President, for the principle that any such meeting be within the framework of the orderly processes of the United Nations. This, as you know, was a fundamental part of my reply to Chairman Khrushchev of July twenty-second.²

Furthermore, I fully recognize the merit of Your Excellency's view with regard to Latin American participation in the consideration of world problems. A threat to peace anywhere in the world is of concern everywhere in the world. The Latin American Republics, representing such an important area of the world in terms of political and cultural significance as well as in population and material resources, should be and must be vitally concerned with the elimination of any such threat.

It is precisely in recognition of the responsibility which all parts of the world have for the maintenance of peace, and which all countries, large and small, must share, that the United Nations exists. In keeping with this concept, the

¹ Secretary Dulles attended a Ministerial meeting of the Baghdad Pact at London July 28-29 (see p. 272).

² For text, see Bulletin of Aug. 11, 1958, p. 229.

United States believes the United Nations to be the only appropriate forum in which to discuss the Soviet charge of a present threat to peace in the Middle East and, as Your Excellency mentioned in your letter, Latin America is already represented on the Security Council of the United Nations.

You may be assured, Mr. President, of my continuing attention to the constructive opinions you have expressed in your letter, and of my best wishes for your personal well-being.

Sincerely,

DWIGHT D. EISENHOWER

His Excellency

Dr. Juscelino Kubitschek de Oliveira, President of the United States of Brazil

President Kubitschek to President Eisenhower

Mr. President: Aware of the possibility of a forthcoming meeting of heads of Governments, with a view
to seeking a solution for the present grave world crisis,
I consider it opportune to emphasize the necessity of
Latin America being represented at such a decisive
gathering. It would be consistent and just, even indispensable, that the Latin American group—which not
only comprises a population of almost two hundred million but is also representative of a particular civilization
and culture—be present at a meeting from which decisions
can spring that may put an end to the anguish which
not only torments the countries more directly responsible
for the destinies of the world, but is also being undergone
by the whole of mankind.

In manifesting to Your Excellency this opinion calling for the presence of Latin America in the formulation of decisions to be taken, I am only being consistent with the reiterated statements which I have made public lately, to the effect that this substantial part of our Continent must be freed from the featureless rearguard position which it has held heretofore in the international scene, and that its voice be heeded whenever the destinies of the peoples are at stake. I feel sure that it will be beneficial to the cause of peace—which identifies one and all—if, in any kind of meeting, a new voice be heard which may add valid and constructive elements to the endeavor toward the achievement of a general understanding, supreme concern of mankind.

Thus, we would favor in principle a meeting of heads of Governments to be held within the Security Council of the United Nations, where Latin America already is represented. The motives and reasons which make the presence of Latin America imperative stand in full validity and strength even in the case that it be not found possible to hold the envisaged meeting within the framework of the United Nations.

I assure you, Mr. President, that I am not impelled nor inspired by intentions other than that of serving, to the

best of my abilities, the common objective of all peoples, that is, the final elimination of dangerous divergences which may lead the nations into a world-wide struggle, the consequences of which would this time be really unforeseeable.

May God inspire Your Excellency in this hour of extreme difficulty.

JUSCELINO KUBITSCHEK

RIO DE JANEIRO, July 23, 1958.

U.S. Withdraws Marines Guarding Guantanamo Water Installation

Press release 441 dated August 2

The detachment of U.S. Marines guarding the water installations of the Guantanamo Naval Base in Cuba was withdrawn on August 1. When advised that this action had been taken, the Government of Cuba informed our Ambassador [Earl E. T. Smith] that it would reassign guards to the installation without delay. The Cuban Government explained to the United States that the guard detail had been withdrawn while it was making a change of its forces in the region.

The Marines were detailed to gnard the water installation, 4.5 miles from the base, on July 28. Rear Adm. Robert B. Ellis, commandant of the base, took this step after the commander of the Cuban Army forces in the area around Guantanamo notified the admiral that the Cuban Government was withdrawing forces assigned to protect the installation.

U.S. Regrets Reported Involvement of Americans in Haitian Revolt

Press release 439 dated July 31

U.S. Ambassador Gerald A. Drew has been instructed by the Department of State to inform the Government of Haiti that it deplores and regrets the reported involvement of American citizens in the revolutionary attempt which took place on July 29, 1958, against the legally constituted Government of President François Duvalier. Ambassador Drew is also requesting that the Government of Haiti furnish to the U.S. Government all available evidence which might be helpful to agencies of our Government which are conducting appropriate inquiries to ascertain if there has been any violation of U.S. laws.

Visit of Kwame Nkrumah, Prime Minister of Ghana

Kwame Nkrumah, Prime Minister of Ghana, made an official visit to Washington July 23–26. Following are texts of a joint statement issued by the White House and the Ghana Information Service on July 26 and addresses made by Prime Minister Nkrumah before the Senate on July 24 and the House of Representatives on July 25, together with the exchange of greetings at the Washington National Airport and a list of the members of the official party.

JOINT STATEMENT

White House press release dated July 26

The visit to Washington of the Prime Minister of Ghana has afforded the opportunity for a full and friendly exchange of views between the Prime Minister and the President, the Secretary of State and other high Government officials. These conversations have had as their objective the further strengthening of the close ties of friendship and mutual respect which have characterized the relationship between the two countries since Ghana attained its independence last year.

The Prime Minister explained the importance that his government attaches to the Volta River project and also to the development plan which is being drawn up for the further economic and social development of Ghana. He hoped the Government of the United States would find it possible to assist the Government of Ghana with respect to both programs.

In subsequent conversations, representatives of the two governments explored the types and scope of assistance which the United States Government might be able to extend to the Government of Ghana. With regard to the Volta River project, the United States expressed its appreciation of the contribution this project could make to the economic development of Ghana. It agreed to continue to explore with private American interests the aluminum manufacturing phase of the project and to consider how it might assist with loans if the required private financing were assured. The United States also expressed willingness to examine any proposals which the Government of Ghana might advance for the use of power from the Volta River for purposes other than the manufacture of aluminum. The two governments agreed that it would be desirable to bring up to date the engineering reports which were prepared in 1955 and to share the cost of this undertaking.

With respect to the new development plan now in the course of preparation, the Government of the United States indicated willingness to examine the plan with the Government of Ghana and to consider particular fields in which it might be able to cooperate through development loans. The United States Government further agreed to continue and expand its technical cooperation with the Government of Ghana through programs designed to aid in the gradual diversification and strengthening of the economy of that country.

The conversations included an exchange of views concerning the situation in the Middle East. The two governments were in agreement that the solution for the urgent problems of that area should be found within the framework of the United Nations in a manner which will preserve the independence and territorial integrity of all member nations, whether large or small. With respect to the particular situation in Lebanon, the United States emphasized its desire to withdraw its forces just as soon as the United Nations can act effectively to assure the independence and territorial integrity of that state. The Prime Minister noted that this position coincided with the views of his Government.

August 18, 1958 283

The representatives of the two governments emphasized their determination to work for the strengthening of the United Nations in the interests of establishment of world peace, prosperity and stability based upon international justice. It was apparent that both countries share the same beliefs with respect to mutual respect for the sovereignty and independence of nations, non-interference in the internal affairs of other nations, social and economic progress for all peoples, and the rights and dignity of the individual.

The two Governments also exchanged views on the emergence of new African states and the growing importance of the African continent in the realm of international affairs. The Prime Minister took the opportunity to explain the aspirations of the African states as they were expressed at the recent meeting of those nations at Accra and in his subsequent visits to each of the eapitals of the states concerned. The President noted with deep interest the Prime Minister's explanations regarding the development of a distinetive African personality, emphasizing in this connection the sincere interest of the Government of the United States in the orderly political, economic and social advancement of the peoples of the African continent.

> KWAME NKRUMAH Dwight D. Eisenhower

ADDRESS BEFORE THE SENATE 1

Mr. President, Honorable Senators, I wish to express my appreciation for your invitation to come here today. It is indeed a great honor to stand before a Senate whose deliberations have guided, and will continue to guide the destinies of the American Nation, and whose decisions affect people in every corner of the world.

I speak to you on behalf of the Government and people of Ghana—one of the youngest of nations, but one dedicated to those same ideals of liberty and justice which have always guided your own great country. I trust that my visit at the kind invitation of your great President, will strengthen the ties of friendship which already exist between your country and mine.

I have some appreciation of the weight of responsibility and the burden of work which presses on the distinguished Members of this great Senate, and I therefore have no intention of talking to you at length. I simply wish to emphasize six basic points.

First. Like you, we believe profoundly in the right of all peoples to determine their own destinies. We are therefore opposed to all forms of colonialism—old and new—and we want to see all nations and their peoples genuinely independent and seeking a higher standard of life. In this respect we have a special concern for those of our fellow Africans whose countries are not yet independent.

Second. Like you, we seek a world of peace where men and women may bring up their children in tranquillity and security. Our foreign policy is one of nonalinement, but let no one misinterpret our position in matters affecting the independence of our own nation or the independence of others. I know that you will always find us alined with the forces fighting for freedom and peace.

Third. We give our full support to the United Nations and its Charter.

Fourth. We pray that your deliberations may succeed in achieving some relaxation in world tension and thus ease the vast burden of expenditure on armaments which weighs so heavily on this country and others. If that can be achieved, we hope that part of the resources thus saved could be used to banish poverty, disease, and illiteracy from the less fortunate parts of the world.

Fifth. I pay tribute to you and your people for the wonderful generosity which you have displayed over the last 13 years in assisting nations devastated by war, and the many other countries which have needed economic help. I am sure that this remarkable record will be enshrined in the history of the world for all time.

Sixth. I do not come to the United States asking for direct financial aid. We need American investment—both Government and private—but only for projects which can stand on their own feet and ultimately repay the original capital with reasonable interest.

I thank you, Mr. President, and Members of the Senate, for according me this honor. You can be assured of our enduring friendship and good will, and I am certain that the friendship which today

¹ Congressional Record, July 24, 1958, p. 13665.

exists between the United States and Ghana will endure so long as our two countries exist.

Again, I thank you, Mr. President.

ADDRESS BEFORE THE HOUSE OF REPRESENTATIVES 2

Mr. Speaker, honorable Members of the House of Representatives, I greatly appreciate the honor you have done me in inviting me to speak to you today. I represent a very young country, but for centuries we have had ties of kinship and close associations with your own great nation. I come here to reaffirm our friendship and good will.

Yesterday I was privileged to address the distinguished Members of your Senate. I tried to be brief for I know the pressure of work on Congress now and I will not take up much of your time today. Apart from the business before you, I am well aware, as a fellow politician, of the keen desire of some of your members to attend to other matters which will affect their political fortunes next November.

Basically we seek the same fundamental objectives—those of peace, respect for the sovereignty of other nations, and for the rights of the individual. There is no need for me to talk to you about those fundamental truths which are enshrined in the history of this great Congress.

We are a small nation, but we occupy an unusual position as a member both of the United Nations and the commonwealth, as well as having active and direct links with the other several independent states of the African continent: Ethiopia, Sudan, the United Arab Republic, Tunisia, Libya, Morocco, and Liberia. As such, so it seems to me, we can contribute most to the attainment of those fundamental objectives in other parts of the world by setting a good example ourselves.

In our foreign relations, our policy is that of positive neutralism and nonalinement. This does not mean negative neutralism and should not be confused with the sort of neutralism which implies the suspension of judgment, but rather the conscientious exercise of it. Our foreign policy is one of friendly relations with all nations and

unswerving loyalty to the charter of the United Nations as well as respect for its decisions.

In domestic policy, we have taken strong measures to preserve our internal security. Understandably, we have been criticized for this in some quarters, but I am convinced that what we have done will do most to protect our democracy and the liberty of the individual. Tragically, there are all too many examples in the world today of small countries whose independence and very existence are threatened because their governments have failed to take adequate security measures.

It is the policy of my government to endeavor to banish poverty, illiteracy, and disease from our country. Already we have done much from our own resources, but far more must be done if we are to achieve that sustained economic development which will let us give our people a reasonable standard of living.

I am sure that you will be relieved to know that I have not come to the United States asking for direct financial aid. We need American investment—both government and private—but only for projects which can stand on their feet and ultimately repay the original capital with reasonable interest.

Mr. Speaker, I thank you for this great honor. On behalf of my fellow countrymen, I extend to you, to the Members of this House, and to the American people, our friendship, and our good will.

Thank you.

EXCHANGE OF GREETINGS 3

Vice President Nixon:

Mr. Prime Minister, Your Excellencies, and ladies and gentlemen: It is a very great honor for me to represent the President of the United States and the American people as we welcome you to Washington, D.C. And in welcoming you I have memories of a visit to your country just a little over a year ago. It was a great event. It was the birth of a nation—the birth of a nation in which you played such an important and decisive part. And, as you come to

August 18, 1958 285

² Ibid., July 25, 1958, p. 13882.

³ Made at the Washington National Airport on July 23 (press release 418).

the United States, you are going to find among our people every place that you visit tremendous interest, both in you individually and also in your country.

This interest will exist because yours is a new nation that has entered into a period now of self-government and independence, just as our own country went through this same process many years ago. There will be interest also because this has occurred in the heart of Africa and it is an indication of a great trend that is developing in that part of the world in this exciting new continent.

There will be a special interest in you in the United States for another reason which I would like to mention. We feel that we, at least, have a part of you in our country—at least in spirit. We are proud of the fact that you studied in the United States and that here you had the opportunity to know us through the students from this country with whom you came in contact at that time.

So, Mr. Prime Minister, may I say you will find every place you go I am sure the warmest and the most friendly welcome. You will find esteem for yourself, you will find affection for your people, and the best wishes for your country in the years ahead.

Prime Minister Nkrumah:

Mr. Vice President, I am most grateful to you for your kind words of welcome. I truly appreciate the gracious invitation from President Eisenhower which has brought me here today, and I bring greetings from the Government and people of Ghana to the Government and people of the United States of America.

We were delighted, sir, to welcome you to Ghana during our independence ceremonies. It gives me equally great pleasure today to renew my friendship with you. I have, of course, in addition, personal and sentimental reasons for being so happy to return to this country. My visit here is a manifestation of the warm feeling of friendship that exists between the United States of America and Ghana and between our respective countrymen. We remember with gratitude the encouragement we have received from

your Government in our first efforts to consolidate our independence. We are anxious to retain your friendliness and good will.

I have arrived here, Mr. Vice President, at a time of great international tension. I represent only one African state, but we are in the unique position of being a member both of the United Nations and of the Commonwealth, as well as having active and direct links with the seven other independent African states. We also have a direct interest in the Middle Eastern situation. I sincerely hope that it will be possible to reach agreement to hold a very early meeting within the framework of the United Nations of the heads of government of those states best able to contribute to a solution.

I look forward to having fruitful discussions with your leaders. I hope that these discussions will result in greater understanding of our respective problems and policies and that they will contribute to the store of human good will and world peace. I thank you again, Mr. Vice President.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on July 15 (press release 405) that the following would accompany Prime Minister Nkrumah as members of the official party: 4

D. A. Chapman, Ambassador of Ghana

Mrs. Chapman

Kojo Botsio, M.P., Minister of Trade and Industries Mrs. Botsio

Kofi Baako, M.P., Minister of Information and Broadcasting

A. L. Adu, O.B.E., Permanent Secretary, Ministry of Defense and External Affairs

Enoch Okoh, Acting Secretary to the Cabinet

Wiley T. Buchanan, Jr., Chief of Protocol of the United States

Clement E. Conger, Deputy Chief of Protocol, Department of State

C. Vaughan Ferguson, Jr., Director, Office of Middle and Southern African Affairs, Department of State Stuart P. Lillico, Press Officer, Department of State

⁴ Prime Minister Nkrumah left Washington on July 26 for a tour to include Harrisburg, Hershey, and Philadelphia, Pa.; New York, N.Y.; and Chicago, Ill. He will leave New York for London on Aug. 2.

Visit of Prime Minister Amintore Fanfani of Italy

Amintore Fanfani, President of the Council of Ministers of the Italian Republie, made an informal visit to Washington July 28-31. Following is the text of a joint statement of President Eisenhower and the Prime Minister released by the White House on July 30, together with the text of an address made by the Prime Minister before the Senate on July 29.

JOINT STATEMENT

White House press release dated July 30

The President of the United States, the President of the Council of Ministers of the Italian Republic, who is also Minister of Foreign Affairs, and the Secretary of State of the United States have concluded two days of discussion on a wide range of topics of mutual interest to their two countries. Other governmental representatives on both sides took part in particular phases of the discussions. In an atmosphere of friendship and understanding they examined the present world situation, including the Middle East and the problems surrounding a possible meeting of Heads of Government within the framework of the United Nations.

The President, the Secretary of State and the Prime Minister exchanged views on the recent developments in the Middle East and found themselves in satisfactory accord. They also agreed on the importance of the position of Italy with respect to its interests in the Mediterranean and in the Middle East, and hence on the importance of insuring means whereby Italy's views may be taken into account on a continuing basis. They arranged to remain in close contact.

The President and the Italian Prime Minister reaffirmed the dedication of their countries to the North Atlantic Alliance and to the United Nations established to defend the peace and to protect the right of peoples to live in freedom under governments of their own choosing. They reiterated their firm conviction that the combined strength and coordinated action of the free and independent countries of the North Atlantic Alliance are vital to their peace and security, and will remain a cornerstone of their foreign policies.

The President and the Secretary of State expressed full recognition of the contribution being made by Italy in the development of closer political and economic association between the countries of Europe for the purpose of improving the well-being of their peoples.

The Prime Minister outlined the program he proposes with regard to his country's economic problems, including foreign trade. The representatives of the United States expressed their appreciation and their confidence that increased economic ties between the United States and Italy might contribute favorably to this program.

In conclusion the President expressed his gratification with the Prime Minister's visit to Washington and for the opportunity thus provided for a friendly and constructive exchange of views. The Prime Minister in turn voiced his satisfaction at being able, following the assumption of his high offices, to renew his acquaintance with the President and the Secretary of State.

Amintore Fanfani Dwight D. Eisenhower

ADDRESS BEFORE THE SENATE 1

Mr. President, distinguished Senators, with deep feeling I have crossed the threshold of the

August 18, 1958 287

¹ Congressional Record, July 29, 1958, p. 14046. For text of a similar address made by the Prime Minister before the House of Representatives on the same day, see *ibid.*, p. 14122.

Hall in which your assembly sits and works. Highly resplendent here is the light of the great tradition of freedom of the American people. The echo of the deeply moved voice of two great Italians still resounds among these walls.

Twice already in the last 10 years two very authoritative voices have expressed our anxieties, our problems, our purposes.

On September 24, 1951, Alcide de Gasperi, as head of the Italian Government, was asking your assistance, keeping in mind that the Italian nation is working hard and needs working opportunities above all.

On February 29, 1956, Giovanni Gronchi, as President of our Republic, witnessing to the fact that the balance of the first 10 years after the liberation had been a favorable one, and he asked the Congress to tell the American people that the help given Italy had not been wasted.

These precions testimonials and exhortations can only be confirmed now.

Since the time when those words were pronounced here in Washington 2 years ago, Italy has made further progress in all fields. She has consolidated her economy. She has better balanced her state budget. She has bettered the living conditions of her people. Consequently, after 10 years of hard government action, in recent elections the support given to Alcide de Gasperi's party has grown, while for the first time since 1946 the number of Communist deputies has decreased.

The whole Nation has acquired a firmer confidence in her future.

This greater confidence has resulted in the greater attention with which our people follow the development of international life, anxious to bring, by their ideas and their action, a pacifying contribution to their tumultuous course.

In this appearance of Italy on the horizon of great international life, no one should see symptoms of restlessness or of slightly lessened solidarity.

If anything, there is further proof that the common action of all the allies, and in the first place the generous solidarity of the United States of America for the rebirth and reconstruction of Italy, have scored a full success. So much so that, now that we have overcome the most acute anxieties of our gravest internal problems, we intend to reciprocate, as we now can do, the allies'

aid. Cooperating in our turn to solve the problems besetting the world and the Atlantic community of which we are a part.

Your assistance in stabilizing the life of our democracy has placed us in a position to contribute to the stabilization of life in the great family of the free people, integrated by the nations who are aiming at a more secure freedom.

This cooperation Italy intends to give, within the limits of her power, within the framework of her alliances, with the certainty that we contribute to averting from other areas of the world that danger of Communist subversion which has been averted in our land.

There has been much talk of Italian plans and programs to consolidate peace in the world, especially threatened today by the restlessness and the aspirations of the people of the Middle East.

It is not up to a country which does not possess all the means to uphold them, to formulate and propose plans, in the strict sense of the word.

We are a people living close to the danger area, possessing a knowledge of it that goes back into the millennia, and we are in a position to talk to the populations which inhabit them without arousing suspicion because, long since, we have no possessions to defend or to extend. It is the duty of such a people to make their allies aware of their anxieties, their experience, their own suggestions. Whether these concern the contingent aspects of the situation or the permanent ones; whether they consider the manner by which the temporary guaranties required of the friends of the threatened people can be substituted by other guaranties; whether they concern the orderly peaceful political evolution or the necessary economic assistance to those territories as a whole: of one thing we can be certain, namely, that such suggestions will only be aimed at stimulating and contributing to the solution of problems that are already on the table. And by our ideas and snggestions, we pledge ourselves to contribute our action and our endeavors to the peaceful widening of the area of freedom and prosperity in the Mediterranean and the Middle East.

The high ideal values we have in common, the close pledges we have given with our allies, the identical danger threatening our way of life: these are the safest guaranties that Italy is firmly on the side of freedom, and that it works and intends to work for peace in security.

We Italians are convinced that this common work, organically articulated in common action, will increase the concreteness and effectiveness of the allied effort, drawing toward it new friendly feelings of people now being tempted by the solidarity toward other communities that love peace and progress only in appearance, for they are the enemies of freedom.

We Italians are also certain that by such actions we shall make more intimate and cordial the already intimate and cordial collaboration of our country with the United States of America.

Mr. President, Honorable Representatives, the meetings in which I have the honor of participating now in Washington will produce other positive results in terms of the friendship between the United States and Italy, and for the future development of action of the free peoples of the West. You can rely on that.

The frank exchange of opinion will reinvigorate our mutual collaboration. And this will continue to be the cornerstone of that edifice of civilization to which we are dedicated, in the service of our peoples, for peace in the world in the observance of that justice which God requires of men.

U.K. To Lift Import Restrictions on Chemicals and Allied Products

Press release 429 dated July 29

The United Kingdom Government announced on July 29 that from August 18, 1958, U.K. import licensing restrictions will be removed from a wide range of chemicals and allied products imported from the dollar area. A detailed announcement was made in London indicating the commodities covered. With a few exceptions all chemicals and allied products (including plastics materials) of a kind used industrially are to be freed, but dyestuffs and intermediates and products used primarily as consumer goods (e.g. pharmaceuticals, paints, photographic goods, toilet preparations, and goods in retail packs) will continue under restrictions. The broad effect will be that with certain exceptions, such as dyestuffs and intermediates, import licenses will no longer be required for most chemicals used as industrial materials.

Users in the United Kingdom will benefit from the greater freedom in choice of supply which will result from this decision, and American exporters will have increased opportunities of access to the British domestic market. The Government of the United Kingdom has indicated that with the improvement in its balance-of-payments position it has been possible to take this further step in the removal of discriminatory restrictions against imports from Canada, the United States, and other dollar countries.

The United States welcomes this step toward freer international trade, which is in accord with the objectives of the General Agreement on Tariffs and Trade and in harmony with overall U.S. efforts to obtain the elimination of unnecessary trade restrictions.

U.S.-U.S.S.R. Film Exchanges

Resumption of Negotiations

Press release 432 dated July 30

The Department of State announced on July 30 that Eric Johnston, president of the Motion Picture Association of America, and Turner B. Shelton, director of the U.S. Information Agency motion picture service, will resume negotiations with representatives of the Soviet Union for the purchase and sale of motion pictures under the cultural, technical, and educational exchange agreement signed last January.¹

The negotiations at Washington were temporarily recessed last April ² and, at the invitation of the Soviet Union, are being resumed at Moscow September 8. The negotiations are in furtherance of arrangements for the sale and purchase of films by the industries of both countries and the discussions of the carrying out of the other provisions under the motion-picture section of the agreement.

Reports to American Film Industry

Press release 434 dated July 31

Eric Johnston, president of the Motion Picture Association of America, and Turner B. Shelton,

¹ For text of agreement, see Bulletin of Feb. 17, 1958, p. 243.

² Ibid., May 19, 1958, p. 830.

director of the motion picture service of the U.S. Information Agency, reported yesterday to the board of the Motion Picture Export Association on the current status of the exchange of motion pictures between the United States and the Soviet Union under the cultural, technical, and educational exchange agreement.

On August 21 Mr. Johnston and Mr. Shelton will meet with representatives of American film companies not affiliated with the Motion Picture Association or the Motion Picture Export Association for the purpose of briefing these companies on the status of the exchange. Both Mr. Johnston and Mr. Shelton expressed the hope that representatives of all the producers and distributors not affiliated with the MPAA and MPEA would attend this meeting, scheduled to be held at Washington in the Department of State Building.

Malaya Receives U.S. Loan for Seaport Improvement

Press release 433 dated July 30

In response to a request from the Government of the Federation of Malaya, the United States has agreed to lend Malaya \$10 million to assist in developing increased international seaport facilities in the North Klang Straits area on the west coast of Malaya near the capital city of Kuala Lumpur. The loan was made from the U.S. Development Loan Fund and provides for repayment in U.S. currency at 3½ percent interest over a period of 30 years.

The new seaport when completed will provide the Federation with three additional deep sea berths and auxiliary facilities near Port Swettenliam to handle increases in the volume of traffic and the growth of the Malayan economy.

During the last few years there has been a change in the character of the trade of the Federation of Malaya through this port. This change will be accelerated now that the Federation has become an independent modern state. Bulk commodities, such as rice, flour, and sugar, which formed the main items 20 years ago, now constitute only one-quarter of all imports, the proportion of general merchandise cargo having increased substantially. This, together with the development of the Federation's export trade in

bulk latex and palm oil, scrap iron, and ilmenite ore, has altered the Federation's wharfage requirements. The planned facilities at the North Klang Straits site will help solve the problems raised by these changes.

33,000,000 Pounds of DDT Shipped Overseas in Malaria Program

The Department of State announced on July 21 (press release 414) that during the first 6 months of 1958 more than 33 million pounds of DDT have been bought from U.S. industry with ICA funds and shipped overseas for use in the worldwide malaria eradication program. The purchase of DDT, along with other necessary supplies and equipment, by the U.S. Government represents a substantial part of the global drive to eradicate malaria.

The United States works with other nations in many ways to wipe out this disease. With 27 countries, the United States works directly through government-to-government programs. To these nations the International Cooperation Administration has sent, in addition to DDT and other supplies, 30 American technicians who work with officials of the host government to set up effective malaria eradication programs. Of these 27 nations, 7 are in the Far East (Cambodia, Indonesia, Laos, Philippines, Taiwan, Thailand, Viet-Nam); 7 are in the Near East and South Asia (Ceylon, India, Iran, Iraq, Jordan, Nepal, Pakistan); 3 are in Africa (Ethiopia, Liberia, Libya); and 10 in Latin America (Bolivia, Brazil, Colombia, Ecuador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Paraguay).

In addition the U.S. Government gave \$5 million to the World Health Organization and \$2 million to the Pan American Sanitary Organization this year to assist in carrying out the malaria eradication program during its first year of operation.

More than 60 nations are working together in the second year of a 5-year program of eradication. The success of the worldwide campaign depends on two major factors related to the United States. These are: (a) the ability and capacity of the U.S. chemical industry to turn out DDT in large amounts; and (b) the willingness of the U.S. Government to use some of its resources to finance the purchase of millions of pounds of the insecticide for use in the worldwide malaria eradication program.

The 5-year program to eliminate malaria is based not only upon a long series of studies on the feasibility of eradication but also upon the experience of successful eradication of the disease in the United States and several other countries.

State Department Celebrates 20th Year of U.S. Cultural Relations Program

Press release 426 dated July 28

The Department of State on July 28 opened to the public an exhibit marking the 20th anniversary of the inauguration of its program of international cultural relations. It was 20 years ago, on July 28, 1938, that the then Secretary of State, Cordell Hull, established in the Department a division for the purpose of "encouraging and strengthening cultural relations and intellectual cooperation between the United States and other countries." The first activity of the Division of Cultural Relations, as it was called, was the initiation of the program of student exchanges proposed by the U.S. Government at the Inter-American Conference for the Maintenance of Peace at Buenos Aires in 1936.

Included in the Departmental order were other activities for which the new division was given responsibility. These included cooperation in the field of music, art, literature, and other intellectual and cultural attainments; encouragement of a closer relationship between unofficial organizations of the United States and foreign governments engaged in cultural and intellectual activities; and generally the improvement and broadening of the scope of this country's cultural relations with other countries.

Out of these early beginnings have grown the Department's present international educational exchange program and the President's special international program for cultural presentations, which it also carries out.

More than 50,000 persons have participated in the exchange program, and its geographic scope has been extended from the American Republics to over 80 countries in all parts of the world. These persons have been exchanged not only for purposes of study but also to teach, conduct advanced research, lecture, observe, and to render consultative services. The cultural presentations program provides assistance to American cultural and athletic groups to tour abroad "to strengthen the ties which unite us with other nations by demonstrating the cultural interests, developments and achievements of the people of the United States." Some 120 cultural and sports attractions, such as major symphony orchestras and swimming teams, have been presented in over 500 cities abroad.

The Department also is responsible for official participation in education, scientific, and cultural relations projects carried out multilaterally through United States membership in international organizations.

Principal legislative authority under which these programs are currently conducted is derived from the Fulbright Act, the Smith-Mundt Act, and the International Cultural Exchange and Trade Fair Participation Act of 1956 (the Humphrey-Thompson Act). Both the educational exchange and the cultural presentations programs have the common basic objective of furthering international understanding.

International Travel Policy Committee Formed

The Department of Commerce announced on July 25 the establishment of an Interdepartmental Travel Policy Committee to promote development of international travel to and from the United States. Recommended by the Randall report on international travel submitted by President Eisenhower to the Congress on May 12,¹ the new committee is composed of top-level representatives from 10 U.S. Government departments and agencies.

Activities of the committee will fall within the following general spheres of operation affecting both the individual traveler and the travel industry: elimination and simplification of entry and sojourn requirements; stimulation of low-cost

August 18, 1958 291

¹For an article entitled "Twenty Years After: Two Decades of Government-Sponsored Cultural Relations" by Francis J. Colligan, see BULLETIN of July 21, 1958, p. 112.

¹ H. Doc. 381, 85th Cong., 2d sess.

and group travel; development of travel statistics for market research; improvements in the travel plant; and, in cooperation with private industry, exploration of measures to expand travel to and from the United States. Chaired by Assistant Secretary of Commerce for International Affairs Henry Kearns, the permanent secretariat of the committee is located in the Office of International Travel of the Department's Burean of Foreign Commerce.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Provisional Agenda of Thirteenth General Assembly 1

U.N. doe. A/3846 dated July 18

- Opening of the session by the Chairman of the delegation of New Zealand.
- 2. Minute of silent prayer or meditation.
- Credentials of representatives to the thirteenth session of the General Assembly;
 - (a) Appointment of the Credentials Committee;
 - (b) Report of the Credentials Committee.
- 4. Election of the President.
- Constitution of the Main Committees and election of officers.
- 6. Election of Vice-Presidents.
- 7. Notification by the Secretary-General under Article 12, paragraph 2, of the Charter.
- 8. Adoption of the agenda.
- 9. Opening of the general debate.
- Report of the Secretary-General on the work of the Organization.
- 11. Report of the Security Council.
- 12. Report of the Economic and Social Council.
- 13. Report of the Trusteeship Council.
- Report of the International Atomic Energy Agency [resolution 1145 (XII) of 14 November 1957].
- Election of three non-permanent members of the Seenrity Council.
- Election of six members of the Economic and Social Council,
- 17. Election of three members of the Trustceship Council.
- 18. Appointment of the members of the Peace Observation Commission.
- Appointment of members of the Disarmament Commission.
- Election of the United Nations High Commissioner for Refugees [resolution 1165 (XII) of 26 November 1957].
- ¹ To convene at U.N. Headquarters, N.Y., on Sept. 16, 1958.

- 21. Question of amending the United Nations Charter, in accordance with the procedure laid down in Article 108 of the Charter, to increase the number of non-permanent members of the Security Council and the number of votes required for decisions of the Council [resolution 1190 (XII) of 12 December 1957].
- 22. Question of amending the United Nations Charter, in accordance with the procedure laid down in Article 108 of the Charter, to increase the membership of the Economic and Social Council [resolution 1190 (XII) of 12 December 1957].
- 23. Question of amending the Statute of the International Court of Justice, in accordance with the procedure laid down in Article 108 of the Charter of the United Nations and Article 69 of the Statute of the Court, with respect to an increase in the number of judges of the International Court of Justice [resolution 1190 (XII) of 12 December 1957].
- 24. The Korean question; report of the United Nations Commission for the Unitication and Rehabilitation of Korea [resolutions 376 (V) of 7 October 1950 and 1180 (X11) of 29 November 1957].
- 25. Effects of atomic radiation [resolution 1147 (XII) of 14 November 1957]:
 - (a) Report of the United Nations Scientific Committee on the Effects of Atomic Radiation;
 - (b) Report of the Secretary-General on the strengthening and widening of scientific activities in this field.
- 26. Report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East [resolutions 302 (IV) of 8 December 1949, 1018 (XI) of 28 February 1957 and 1191 (XII) of 12 December 1957].
- 27. United Nations Korean Reconstruction Agency:
 - (a) Report of the Agent General of the Agency [resolution 410 A (V) of 1 December 1950];

- (b) Progress report of the Administrator for Residual Affairs of the Agency [resolution 1159 (X11) of 26 November 1957].
- 28. Economic development of under-developed countries:
 - (a) Establishment of the Special Fund; reports of the Preparatory Committee for the Special Fund and of the Economic and Social Council [resolution 1219 (XII) of 14 December 1957];
 - (b) International tax problems: report of the Economic and Social Council [resolution 1032 (XI) of 26 February 1957].
- 29. Programmes of technical assistance:
 - (a) Report of the Economic and Social Council;
 - (b) Confirmation of the allocation of funds under the Expanded Programme of Technical Assistance [resolution 831 (IX) of 26 November 1954].
- Question of assistance to Libya [resolution 924 (X)] of 9 December 1955].
- Report of the United Nations High Commissioner for Refugees [resolutions 428 (V) of 14 December 1950 and 1166 (XII) of 26 November 1957].
- Draft International Covenants on Human Rights [decision of the General Assembly of 11 December 1957].
- Recommendations concerning international respect for the right of peoples and nations to self-determination [resolution 1188 (XH) of 11 December 1957].
- 34. Advisory services in the field of human rights: report of the Economic and Social Council [resolution 926 (X) of 14 December 1955].
- 35. Freedom of information:
 - (a) Report of the Secretary-General on consultations concerning the draft Convention on Freedom of Information [resolution 1189 A (XII) of 11 December 1957];
 - (b) Reports of the Economic and Social Council and of the Commission on Human Rights [resolution 1189 B (XII) of 11 December 1957].
- 36. Information from Non-Self-Governing Territories transmitted under Article 73 e of the Charter; reports of the Secretary-General and of the Committee on Information from Non-Self-Governing Territories;
 - (a) Information on social conditions;
 - (b) Information on other conditions:
 - (c) General questions relating to the transmission and examination of information;
 - (d) Methods of reproducing summaries of information concerning Non-Self-Governing Territories: report of the Secretary-General;
 - (e) Report of the Secretary-General on developments connected with the association of Non-Self-Governing Territories with the European Economic Community [resolution 1153 (XH) of 26 November 1957];
 - (f) Offers of study and training facilities under resolution 845 (IX) of 22 November 1954; report of the Secretary-General [resolutions 931 (X) of

- 8 November 1955 and 1154 (XII) of 26 November 1957].
- 37. Question of the renewal of the Committee on Information from Non-Self-Governing Territories; report of the Committee on Information from Non-Self-Governing Territories.
- 38. Election, if required, to fill vacancies in the membership of the Committee on Information from Non-Self-Governing Territories.
- 39. Question of South West Africa:
 - (a) Report of the Good Offices Committee on South West Africa [resolution 1143 (XII) of 25 October 1957];
 - (b) Report of the Committee on South West Africa [resolutions 749 A (VIII) of 28 November 1953 and 1142 B (XII) of 25 October 1957];
 - (e) Study of legal action to ensure fulfilment of the obligations assumed by the Mandatory Power under the Mandate for South West Africa: resumed consideration of the special report of the Committee on South West Africa [resolutions 1060 (X1) of 26 February 1957 and 1142 Λ (X11) of 25 October 1957];
 - (d) Election of three members of the Committee on South West Africa [resolution 1061 (XI) of 26 February 1957].
- 40. The future of Togoland under French administration; report of the United Nations Commissioner for the Supervision of the Elections and report of the Trusteeship Council thereon [resolution 1182 (XII) of 29 November 1957].
- 41. Question of the frontier between the Trust Territory of Somaliland under Italian administration and Ethiopia: reports of the Governments of Ethiopia and of Italy [resolution 1213 (XII) of 14 December 1957].
- 42. Financial reports and accounts, and reports of the Board of Auditors:
 - (a) United Nations (for the financial year ended 31 December 1957);
 - (b) United Nations Children's Fund (for the financial year ended 31 December 1957);
 - (c) United Nations Relief and Works Agency for Palestine Refugees in the Near East (for the financial period ended 31 December 1957);
 - (d) United Nations Korean Reconstruction Agency (for the financial year ended 30 June 1958);
 - (e) United Nations Refugee Fund (for the financial year ended 31 December 1957).
- 43. Supplementary estimates for the financial year 1958.
- 44. Budget estimates for the financial year 1959,
- 45. Appointments to fill vacancies in the membership of subsidiary bodies of the General Assembly:
 - (a) Advisory Committee on Administrative and Budgetary Questions;
 - (b) Committee on Contributions:
 - (c) Board of Auditors:
 - (d) Investments Committee; confirmation of the appointment made by the Secretary-General;

August 18, 1958 293

- (e) United Nations Administrative Tribunal;
- (f) United Nations Staff Pension Committee.
- 46. Report of the Negotiating Committee for Extra-Budgetary Funds [resolution 1197 B (XII) of 13 December 1957].
- 47. Scale of assessments for the apportionment of the expenses of the United Nations; report of the Committee on Contributions.
- United Nations Joint Staff Pension Fund: annual report of the United Nations Joint Staff Pension Board.
- 49. Audit reports relating to expenditure by specialized agencies of technical assistance funds allocated from the Special Account [resolution 519 A (VI) of 12 January 1952].
- 50. Administrative and budgetary co-ordination between the United Nations and the specialized agencies: report of the Advisory Committee on Administrative and Budgetary Questions.
- 51. Control and limitation of documentation [resolution 1203 (XII) of 13 December 1957]:
 - (a) Report of the Committee on the Control and Limitation of Documentation;
 - (b) Report of the Secretary-General.
- 52. Offer by the Government of Chile of land in Santiago to be used as office site for the United Nations and other international organizations; report of the Secretary-General and observations thereon by the Advisory Committee on Administrative and Budgetary Questions [resolution 1224 (XII) of 14 December 1957].
- 53. Personnel questions:
 - (a) Geographical distribution of the staff of the Secretariat of the United Nations; report of the Secretary-General [resolution 1226 (XII) of 14 December 1957];
 - (b) Proportion of fixed-term staff;
 - (c) Pensionable remuneration of the staff [resolution 1095 Λ (XI) of 27 February 1957];
 - (d) Other personnel questions.
- 54. United Nations International School and delegation office facilities: reports of the Secretary-General [resolutions 1228 A (XII) and 1228 B (XII) of 14 December 1957].
- 55. Public information activities of the United Nations: report of the Committee of Experts on United Nations Public Information and comments and recommendations thereon by the Secretary-General [resolution 1177 (XII) of 26 November 1957].
- Report of the International Law Commission on the work of its tenth session.
- Question of arbitral procedure [resolution 989 (X) of 14 December 1955].
- 58. Question of initiating a study of the juridical régime of historic waters, including historic bays [item proposed by the Secretary-General].
- Question of convening a second United Nations conference on the law of the sea [item proposed by the Secretary-General].

- 60. The banning of the use of cosmic space for military purposes, the elimination of foreign bases on the territories of other countries and international co-operation in the study of cosmic space [item proposed by the Union of Soviet Socialist Republics].
- 61. Measures aimed at implementation and promotion of principles of peaceful co-existence among States [item proposed by Czechoslovakia].
- 62. Treatment of people of Indian origin in the Union of South Africa [item proposed by India and Pakistan]:
 - (a) Report of the Government of India;
 - (b) Report of the Government of Pakistan.
- 63. Question of the representation of China in the United Nations [item proposed by India].
- 64. The question of Antarctica [item proposed by India].
- 65. The question of Algeria [item proposed by Afghanistan, Bnrma, Ceylon, Ethiopia, Federation of Malaya, Ghana, India, Indonesia, Iran, Iraq, Japan, Jordan, Lebanon, Liberia, Libya, Moroeco, Nepal, Pakistan, Saudi Arabia, Sudan, Tunisia, Turkey, United Arab Republic and Yemen].
- 66. Question of disarmament [item proposed by the Secretary-General].
- 67. United Nations Emergency Force [item proposed by the Secretary-General]:
 - (a) Cost estimates for the maintenance of the Force;
 - (b) Progress report on the Force;
 - (c) Summary study of the experience derived from the establishment and operation of the Force.
- 68. Report of the Secretary-General on the Second United Nations International Conference on the Peaceful Uses of Atomic Energy [item proposed by the Secretary-General].

Confirmation of Delegates to Thirteenth General Assembly

The Senate on July 30 confirmed the followingnamed persons to be representatives of the United States to the 13th session of the General Assembly of the United Nations, to serve no longer than December 31, 1958:

Henry Cabot Lodge Michael J. Mansfield Bourke B. Hickenlooper Herman Phleger George McGregor Harrison

The following were confirmed to be alternate U.S. representatives for the same period:

James J. Wadsworth Miss Marian Anderson Watson W. Wise Mrs. Oswald B. Lord Irving Salomon

U.S. Endorses New Report on Hungary by U.N. Special Committee

Press release 412 dated July 17

The unanimous report of the U.N. Special Committee on the Problem of Hungary, which was released on July 16,1 deserves the widest interest and attention throughout the world. This new report deals with recent events in Hungary, particularly the brutal executions of former Premier Imre Nagy, General Pal Maleter, and two of their associates.2 It adds further incontrovertible evidence to the long record of broken promises of the Kadar regime in Hungary and of the callous disregard of both that regime and the Soviet Government for the rights of the Hungarian people. The report makes it abundantly clear that the Hungarian regime, which was forcibly imposed by the Soviet Government in November 1956 and has since been supported by the presence of Soviet troops in Hungary, secretly tried and executed Imre Nagy and his associates in flagrant violation of assurances of safe conduct and of recognized conditions of immunity.

The report also recalls assurances publicly stated by Kadar that no punitive proceedings would be taken against Imre Nagy by the Hungarian regime, as well as the declaration made by the Rumanian Foreign Minister in December 1956 before the U.N. General Assembly that Nagy and his associates, after removal to Rumania, would be assured hospitality and personal safety in accordance with international rules of political asylum. Significantly, the Soviet Government and the Kadar regime made the announcement of the execution of Imre Nagy and his compatriots almost simultaneously.

Moreover, in spite of repeated public assurances by Hungarian authorities that proceedings against persons who participated in the 1956 national uprising were virtually over and that no further reprisals would take place, the Special Committee has evidence that at least 33 such individuals were sentenced to death during the past

year and that others, not as well known as Nagy and Maleter, may shortly share their fate.

The Committee also calls attention to the fact that the Soviet and Hungarian Governments have continued to persist in their refusal to comply with resolutions of the U.N. General Assembly and to cooperate in any way with the Committee. It notes that these Governments, as well as the Rumanian Government, have refused to accept letters addressed by the Special Committee to the Foreign Ministers of the Soviet Union, Hungary, and Rumania asking for specific information on the arrest, trial, and execution of Nagy, Maleter, and their companions. The Committee in its report again calls upon the Hungarian authorities to desist from carrying out further death sentences and to cease its repressive measures against the Hungarian people.

The U.S. Government is convinced that the nations of the world, feeling a deep sense of shock and revulsion at the events in Hungary, will not assume an attitude of indifference permitting the Soviet and Hungarian Governments to escape the full weight of the opprobrium that they must justly bear because of their actions. The U.S. Government believes that the Special Committee on the Problem of Hungary has once again rendered a signal service to the United Nations and to the world. The Committee's report on the recent developments in Hungary is clear and conclusive despite the willful refusal of the Soviet and Hungarian Governments to accede to the Committee's request for full information about these events. The U.S. Government welcomes and endorses the Committee's report.

The situation of the Hungarian people demands the continued sympathy and close attention of all peoples and governments throughout the world who believe in the principles of justice, human freedom, and national independence. The United States, on its part, will continue to exert every possible effort to keep the plight of the Hungarian people before the conscience of the world and will continue to give full support to all measures within the United Nations that may contribute to the alleviation of the suffering and repression which the Hungarian people now endure.

August 18, 1958 295

¹U.N. doc. A/3849. For an excerpt from a previous report submitted by the Special Committee on June 12, 1957, see Buillin of July 8, 1957, p. 63.

 $^{^3\,{\}rm For}$ background, see ibid , Apr. 7, 1958, p. 581, and July 7, 1958, p. 7.

TREATY INFORMATION

France Delivers Notice of Intent To Terminate Air Agreement

Press release 419 dated July 24

Hervé Alphand, French Ambassador to the United States, on July 24 delivered to Douglas Dillon, Under Secretary of State for Economic Affairs, a notice of intent to terminate the Civil Air Transport Services Agreement concluded with the United States in 1946.

For some time France has felt that the 1946 agreement is not adapted to the present conditions of air traffic between France and the United States. In accordance with the provisions of the agreement, although not sharing the view of the French Government, the United States some months ago agreed to discuss the problems which the French Government had raised.

Those discussions have terminated without a mutually satisfactory understanding between the two Governments. The French Government, therefore, has invoked its privilege under article XIII of the agreement to notify the United States of France's desire to terminate the agreement. Article XIII provides for the termination of the agreement 1 year after the date of notification.

Mr. Dillon expressed regret at the French decision. The French Ambassador pointed out to the Under Secretary that the decision to denounce the agreement of 1946 was by no means an unfriendly gesture and was adopted by the French authorities solely on the basis of commercial considerations.

Current Actions

MULTILATERAL

North Atlantic Treaty

Agreement on the status of the North Atlantic Treaty Organization, national representatives and international staff. Done at Ottawa September 20, 1951. Entered into force May 18, 1954. TIAS 2992. Ratification deposited: Federal Republic of Germany, July 25, 1958.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044. Acceptance deposited: Republic of China, July 1, 1958.

Trade and Commerce

Protocol amending the preamble and parts II and III of the General Agreement on Tariffs and Trade. Done at Geneva March 10, 1955. Entered into force October 7, 1957. TIAS 3930.

Declarations deposited recognizing signatures as fully binding: Luxembourg, May 20, 1958; Belgium,

May 21, 1958.

Protocol amending part I and articles XX4X and XXX of the General Agreement on Tariffs and Trade. Done at Geneva March 10, 1955.¹

Declarations deposited recognizing signatures as fully binding: Luxembourg, May 20, 1958; Belgium,

May 21, 1958.

Protocol of organizational amendments to the General Agreement on Tariffs and Trade. Done at Geneva March 10, 1955.

Declarations deposited recognizing signatures as fully binding: Luxembourg, May 20, 1958; Belgium, May 21, 1958.

Protocol of rectification to the French text of the General Agreement on Tariffs and Trade, Done at Geneva June 15, 1955, Entered into force October 24, 1956, TIAS 3677.

Declarations deposited recognizing signatures as fully binding: Luxembourg, May 20, 1958; Belgium,

May 21, 1958.

Process verbal of rectification concerning the protocol amending part I and articles XXIX and XXX, the protocol amending the preamble and parts II and III, and the protocol of organizational amendments to the General Agreement on Tariffs and Trade. Done at Geneva December 3, 1955.

Declarations deposited recognizing signatures as fully binding: Luxembourg, May 20, 1958; Belgium, May 21, 1958.

United Nations

Constitution of the United Nations Educational, Scientific and Cultural Organization. Done at London November 16, 1945. Entered into force November 4, 1946. TIAS 1580.

Signature: Federation of Malaya, June 16, 1958.

Acceptance deposited: Federation of Malaya, June 16, 1958.

BILATERAL

Finland

Agreement amending the agricultural commodities agreements of May 6, 1955, as amended (TIAS 3248, 3488, 3533, 3534, 3568, and 3673), and May 10, 1957 (TIAS 3826). Effected by exchange of notes at Washington February 10 and 17, 1958. Entered into force February 17, 1958.

¹ Treaties and Other International Acts Series 1679.

¹ Not in force.

² Partially in force, section B of the procès verbal having entered into force on October 7, 1957, as a result of the entry into force on that date of the protocol amending the preamble and parts II and III of the general agreement.

| Aviation. France Delivers Notice of Intent To Terminate Air Agreement | 296 |
|--|-------------------|
| Brazil, U.S. and Brazilian Presidents Support Summit Meeting at U.N. | 281 |
| Congress. The Confirmation of Delegates to Thiriceuth General Assembly | 294 |
| Visit of Kwame Nkrumah, Prime Minister of Ghana Visit of Prime Minister Amintore Fanfani of Italy | $\frac{283}{287}$ |
| Cuba. U.S. Withdraws Marines Guarding Guantanamo Water Installation | 282 |
| Disarmament, U.S. Acknowledges Soylet Acceptance of President's Proposal To Hold Technical Talks on Safe- guards Against Surprise Attack (texts of U.S. note and Soylet letter) | 278 |
| Economic Affairs | 001 |
| International Travel Policy Committee Formed U.K. To Lift Import Restrictions on Chemicals and Allied Products | $\frac{291}{289}$ |
| Educational Exchange. State Department Celebrates 20th Year of U.S. Cultural Relations Program | 291 |
| France. France Delivers Notice of Intent To Terminate Air Agreement | 296 |
| Germany, U.S. and Germany Discuss Middle East Sitnation | 281 |
| Ghana. Visit of Kwame Nkrumah, Prime Minister of Ghana | 283 |
| Haiti. U.S. Regrets Reported Involvement of Americans in Haitian Revolt | 282 |
| Health, Education, Welfare. 33,000,000 Pounds of DDT Shipped Overseas in Malaria Program | 290 |
| Hungary, U.S. Endorses New Report on Hungary by U.N. Special Committee | 295 |
| International Information State Department Celebrates 20th Year of U.S. Cultural Relations Program | 291 289 |
| U.SU.S.S.R. Film Exchanges | 2.50 |
| International Organizations. Ministerial Meeting of Baghdad Pact | 272 |
| Iraq Secretary Dulles' News Conference of July 31 U.S. Recognizes Government of Republic of Iraq | $\frac{265}{273}$ |
| Italy. Visit of Prime Minister Amintore Fanfani of Italy . | 287 |
| Lebanon. Secretary Dulles' News Conference of July 31 . | 265 |
| Malaya, Malaya Receives U.S. Loan for Seaport Improve- ment | 290 |
| Middle East | |
| Ministerial Meeting of Paghdad Pact President Suggests August 12 as Date for Special Session of Security Council on Middle East Problem (Eisen- hower, Khrushchev) | 272 274 |
| Secretary Dulles' News Conference of July 31 | $\frac{265}{281}$ |
| Military Affairs Secretary Dulles' News Conference of July 31 | 265 |
| U.S. Withdraws Marines Guarding Guantanamo Water Installation | 282 |
| Mutual Security | |
| Malaya Receives U.S. Loan for Scaport Improvement 33,000,000 Pounds of DDT Shipped Overseas in Malaria Program. | $\frac{290}{290}$ |
| Paraguay. Letters of Credence (Plate) | 277 |
| Presidential Documents President Suggests August 12 as Date for Special Session of Security Council on Middle East Problem U.S. and Brazilian Presidents Support Summit Meeting at | 274 |
| U.S. and Brazilian Presidents Support Summit Meeting at | 281 |
| Alsit of Kwame Vkrumah Prime Minister of Chana (text | |
| of joint statement) Visit of Prime Minister Amintore Fanfani of Italy (text of joint statement) | 253 287 |
| Treaty Information | 00.0 |
| Current Actions France Delivers Notice of Intent To Terminate Air Agreement | 296 296 |
| U.S.S.R. President Suggests August 12 as Date for Special Session | |
| of Security Council on Middle East Problem (Elsenhower Khrushchey) | 274 |

Secretary Dulles' News Conference of July 31 265

| U.S. Acknowledges So posal To Hold Teel Surprise Attack (te U.SU.S.S.K. Film Ex United Kingdom, U.F. Chemicals and All United Nations | inlo xts cha t. ' ied | al of ng Fo P | Ta U.S es Ld rod | lks 5. r ft net | or ote Im | Por | afe nd • rt | egu So Re | are vie str | ds t le | Age tte lons | ilns r) · | st : on | 278 289 289 |
|---|-----------------------------------|---------------------------|------------------------------|--------------------------|-----------------|------|----------------------|-----------------|-------------------|------------|--------------------|-----------------|---------------|-------------------------------|
| Confirmation of D | etet | za o | 38 | 14 | • | TI | 1111 | tee | 111 | • | Ger | ier: | 81 | 904 |
| Assembly President Suggests Au | | | · . | | r. | | | ċ. | * | 1.1 | e. | مأد | | 294 |
| of Security Counci hower, Khrushchev) | [0] | n i | Mid | eПe | - 19 | ası | t B | 'ro | ble | m | (E | iset | n- | 274 |
| Provisional Agenda of | ir: | ilri | eer | ith | Ċ. | ne | ral | A | 990 | mb | lv. | | • | $\tilde{2}\tilde{9}\tilde{2}$ |
| Secretary Dulles' New | | | | | | | | | | | | | | 265 |
| U.S. Endorses New R | enc | rt | on | H | וחו | en r | v | Ďν` | Û. | Ń. | Sn | eeli | еĬ | |
| Committee | | | | | | | | | | | | | | 295 |
| | | | | | | | | | | | | | | |
| | | N | am | eI | nde | ľ | | | | | | | | |
| Dulles, Secretary Eisenhower, President | | | | | | | | | | | | | | 265 |
| Eisenhower, President | | | | | | | | | | 27 | 4.2 | 81. | 283. | 287 |
| Fanfani, Amintore . | | | | | | | | | | | | . ' | | 287 |
| Johnston, Eric | | | | | | | | | | | | | | 289 |
| Khrushchev, Nikita | | | | | | | | | | | | | 274. | 278 |
| Kubitschek, Juseelino | | | | | | | | | | | | | | 281 |
| Nixon, Richard M . | | | | | | | | | | | | | | 283 |
| Nkrumah, Kwame . | | | | | | | | | | | | | | 283 |
| Plate, Juan | | | | | | | | | | | | | | $\frac{283}{277}$ |
| Shelton, Turner B . | | | | | | | | | | | | | | 289 |

Check List of Department of State Press Releases: July 28 August 3

Press releases may be obtained from the News Division, Department of State, Washington 25, D.C. Releases issued prior to July 28 which appear in

this issue of the BULLETIN are Nos. 405 of July 15, 412 of July 17, 414 of July 21, 418 of July 23, and 419 of July 24.

| No. | Date | Subject |
|------|------|---|
| 426 | 7/28 | 20th anniversary of U.S. cultural re- |
| | | lations program. |
| *427 | 7/28 | DLF loan agreement signed with Cey- |
| | | lon. |
| *428 | 7/28 | Program for Italian Prime Minister's visit. |
| 429 | 7/29 | U.K. lifts import restrictions on chem- |
| | , | icals. |
| 430 | 7/29 | Paraguay credentials (rewrite). |
| 431 | 7/29 | Baghdad Pact declaration. |
| 432 | 7/30 | U.S. to resume film negotiations with |
| | | U.S.S.R. |
| 433 | 7/30 | Loan to Malaya for seaport improve- |
| | | ment. |
| 434 | 7/31 | Reports to U.S. industry on film ex- |
| | | changes with U.S.S.R. |
| *435 | 7/31 | Delegation to 13th U.N. General As- |
| | | sembly (biographic details). |
| 436 | 7/31 | Note to U.S.S.R. on prevention of sur- |
| | | prise attack. |
| †437 | 7/31 | Secretary Dulles to visit Brazil. |
| 438 | 7/31 | Dulles: news conference. |
| 439 | 7/3I | U.S. regrets reported involvement of |
| | | Americans in Haitian revolt. |
| 440 | 8/2 | Recognition of Iraqi Republic. |
| 441 | 8/2 | U.S. withdraws Marines from Guan- |
| | | tanamo water installations. |
| †442 | 8/3 | U.STurkey statement on financial dis- |
| | | cussions. |
| †443 | 8/3 | Dulles : departure statement. |

†Held for a later issue of the BULLETIN.



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Vol. XXXIX, No. 1000

August 25, 1958

| SECRETARY DULLES VISITS BRAZIL • Texts of Joint Communiques and Address by Secretary Dulles | 301 |
|---|-----|
| UNITED STATES AND WORLD ECONOMY • by Under Secretary Dillon | 318 |
| VIEWS OF THE DEPARTMENT OF STATE ON CREATING A PERMANENT UNITED NATIONS EMERGENCY FORCE • Statement by Assistant Secretary Wilcox | 324 |
| UNITED STATES BALANCE OF PAYMENTS WITH LATIN AMERICA DURING 1957 AND THE FIRST QUARTER OF 1958 • Article by Walther Lederer and Nancy F. Culbertson | 311 |

THE DEPARTMENT OF STATE

Bulletin

Vol. XXXIX. No. 1000 • Publication 6693

August 25, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Secretary Dulles Visits Brazil

Following are the texts of two joint communiques released at the conclusion of Secretary Dulles' official visit to Brazil August 4-6, together with the statements made by the Secretary at Washington on his departure and return, the remarks he made at a dinner given in his honor by the Brazilian Foreign Minister, his address before the American Chamber of Commerce for Brazil, and an announcement of the official party.

JOINT COMMUNIQUE ON MULTILATERAL SUBJECTS 1

At the conclusion of the talks between President Juscelino Kubitschek de Oliveira and Secretary of State John Foster Dulles and Foreign Minister Francisco Negrao de Lima, the following Joint Communique was approved:

On the occasion of his visit to Brazil on August 4 and 5 Secretary of State John Foster Dulles was received by the President of Brazil Juscelino Kubitschek de Oliveira and by Foreign Minister Francisco Negrao de Lima. They held extensive conversations, exchanging views about the international situation and those problems relating to the movement for hemispheric unity which President Juscelino Kubitschek de Oliveira has called Operation Pan America. At the end of these frank and cordial talks, held within the general framework of the exchange of views now taking place among the American Republics, the two governments:

I. Reaffirm their determination in carrying out all obligations under the Charter of the Organization of American States. They emphatically declared that the exchange of letters between the President of Brazil, Juscelino Kubitschek de Oliveira, and the President of the United States of America Dwight D. Eisenhower, was most timely and useful in that it advocates the rededication of the Pan-America ideals with a view to strengthening continental unity and preserving peace.

II. Declare that we are in complete agreement to seek formulation of policies designed not only to strengthen the defense of the value of western civilization but also to give a greater creative momentum toward the attainment of this goal.

III. Agree that Latin America has an important role to play among the nations of the world. It is highly desirable that Latin America take an even more active part in formulating those broad international policies which guide the free world.

IV. Reiterate their convictions that the strengthening of the American community requires, among other measures, dynamic efforts to overcome the problems of underdevelopment. They believe that this principle—this fight for greater development which is inseparable from the collective security of the hemisphere—will be supported throughout the hemisphere.

V. Reaffirm that it has become necessary to fight with determination for religious and democratic principles, for the right of nations to freedom, and for respect for man's individuality and dignity. These values which constitute the heritage of western civilization and the culture and the spirit and soul of the Americas, are now challenged by the greed of atheistic Communism. Urgent measures should therefore be taken to assure in an effective manner a defense of these ideals.

¹Issued at Brasilia, Brazil, on Aug. 6 (press release 451 dated Aug. 7).

² For texts, see Bulletin of June 30, 1958, p. 1090, and Aug. 18, 1958, p. 281.

VI. Reaffirm their purpose of continuing along the line of broader contact and consultation already successfully started among the American Republics. The American Republics will be best able to attain their common goal: a coordinated and harmonious effort to develop the economies of the countries in the hemisphere.

VII. Agreed that the time has come for the American Republics to organize to meet together not just to deal with problems of immediate urgency but to discuss on a regular basis any and all problems of mutual concern, bearing in mind their common responsibilities when peace and freedom are threatened. To this end it was agreed that both governments would suggest to the other American Republics that their Foreign Ministers should meet at regular intervals in the framework of the Organization of American States.

VIII. Agreed that consultation between their two countries shall be continued.

IX. Details of their conversations will be promptly communicated to the other American Republics.

JOINT COMMUNIQUE ON BILATERAL SUBJECTS³

In addition to discussions on the international situation and on Inter-American unity, the Foreign Minister, Negrao de Lima, the Minister of Finance, Lucas Lopes, and the United States Secretary of State, John Foster Dulles, with members of their respective staffs, discussed a number of problems of bilateral concern.

Satisfaction was expressed at the fact that the Governmental measures now being undertaken in Brazil to promote financial equilibrium, complemented by the outcome of negotiations conducted with the competent agencies in Washington, the International Monetary Fund and the Export-Import Bank, and the private banks will allow the Brazilian Government to pursue its efforts to foster a balanced economic development.

Both groups reviewed the coffee situation and the steps already taken towards a better general understanding on the matter and towards bringing a greater degree of stability to the coffee market. It was agreed to continue to support the coffee study group, where producers and consumers are represented. Full acknowledgement was also given to the helpful participation of the United States Representatives in the discussions of the special group. This represents a formal recognition on the part of the United States Government of the vital importance of coffee for the economy of many coffee producing countries and the need for an international approach to the problem.

Both groups believe that the contacts here renewed should represent an important contribution towards urgent and orderly solutions of the serious problem affecting the Brazilian economy as a result of the imbalance between supply and demand of coffee.

The groups reviewed the efforts made by Brazil to increase its domestic production of petroleum and the relationship of this problem to the questions of balance of payments and foreign exchange reserves. This review was held within the principle that the different countries have their own ways of developing their petroleum resources and, while no decisions were made, it was agreed to continue discussions in the same friendly atmosphere.

Some connected problems relating to specified products of importance to certain regions of Brazil were examined. It was agreed that mutually satisfactory solutions would be sought through diplomatic channels.

The goals of the Government of Brazil and its program of economic development and the related question of long-term financing of foreign currency costs were discussed and it was agreed that the subject would continue to be reviewed in the context of the joint statement issued by the Brazilian Financial Mission to Washington and the Export Import Bank of July 1956.

DEPARTURE STATEMENT

I have long desired to visit Brazil, and it is especially timely for me to be doing so now. The recent exchange of letters between President Kubitschek and President Eisenhower has emphasized the desire of both countries to consult with each other and the rest of the hemisphere in seeking means to solve common problems.

These letters also emphasize the interest of

 $^{^{3}}$ Issued at Brasilia, Brazil, on Aug. 6 (press release 454 dated Aug. 7).

^{&#}x27;Made at the Washington National Airport on Aug. 3 (press release 443).

Brazil in the high-level meetings of worldwide significance which may take place. I shall therefore wish to exchange views with President Kubitschek and Foreign Minister Negrao de Lima regarding the grave issues of indirect aggression, and of war and peace, which will be considered in the meetings and which are so obviously of concern to all Latin Americans.

The United States regards the great Republic of Brazil as a trusted friend and partner. In the cause of freedom we have been allied in two world wars. We have become in many ways interdependent as regards our mutual security and the well-being of our peoples.

This trip to Brazil is for me, therefore, a welcome opportunity to visit that country which is so greatly endowed culturally and materially and which is blessed with future prospects as bright as any nation could enjoy.

REMARKS ON AUGUST 55

I am honored to be your guest in this noble Palace of Itamaraty with its many traditions of great accomplishment. It is a privilege to share its atmosphere of hospitality, sincerity, and dignity. Also, I thank you for the good and strong words you have spoken.

I welcome and deeply appreciate what you have said about my country and about my own efforts to build a world of peace and justice.

I can assure you that the United States is determined to play its full part in the great international tasks that lie before us. That is the national, bipartisan resolve of our people.

So far as I personally am concerned, my lifelong ambition has been to be able to contribute to a just and durable peace. I hope to deserve what you so graciously said.

This is indeed a most opportune moment for our two countries to reaffirm their traditional friendship and to talk of how we can better serve the needs of our people and of all mankind. The international situation is critical. The atheistic, materialistic, and aggressive forces that would dominate all the world talk boldly. They suggest that efforts to halt them will mean nuclear war.

Letter From President Eisenhower to President Kubitschek¹

AUGUST 2, 1958

Dear Mr. President: I am glad that Secretary Dulles is having this opportunity to visit Brazil and consult with you on problems of mutual interest. Close political, economic and military relations between Brazil and the United States have been our historic tradition. I have no doubt that the friendly cooperation in these fields, which has contributed so materially to the well-being, prosperity and security of both countries, will be maintained and intensified.

I have asked Secretary Dulles to assure you of my continuing personal interest in the constructive proposals you have recently made to explore, with the other American Republics, means for strengthening and further unifying the inter-American community. Your views, given at first hand to Secretary Dulles, will, I am sure, contribute notably to the definition and understanding of existing problems, as have those of other Chiefs of State obtained by Vice President Nixon in South America and Dr. Milton Eisenhower in Central America.

It is particularly gratifying to me that Secretary Dulles will be visiting with you the projected new capital, Brasilia. This project, fulfilling a long-standing aspiration of your countrymen, eloquently signifies the vigor and imagination of the Brazilian people, now on the threshold of even greater conquest of the vast interior of their happily endowed country.

With assurance of my highest consideration, and with my best wishes for the continued well-being and prosperity of the great Brazilian nation.

Sincerely.

DWIGHT D. EISENHOWER

His Excellency

Dr. Juscelino Kubitschek de Oliveira President of the United States of Brazil

¹ Delivered by Secretary Dulles (White House press release dated Aug. 5).

We do not in fact believe that they want war or would invoke war. No sane people want war. War would be for all an inexpressible disaster. The question is whether their threats will cause us to weaken and give in and thus sacrifice the genuine independence of nation after nation.

That is not the path to peace. It is the road to war.

This is an issue that concerns us all. And while, as you observe, there are many demands upon my time, I felt that I could not use these

⁵ Made at a dinner given by Brazilian Foreign Minister Francisco Negrao de Lima at Rio de Janeiro (press release 448).

days to better advantage than to come here and talk about our problems in this atmosphere so conducive to clear thinking.

I have always valued most highly the contribution which the Latin American Republics have made to the solution of international problems and to the development of international law. I believe that this is again a time when we can hopefully expect an important contribution.

It is in search of that that I have come here. I can say already that my search has not been in vain.

You employed, Your Excellency, a striking phrase when you said "the underdeveloped zones are potentially zones occupied by the enemy."

This is true. Actually, you could have gone even farther. We find that the enemy threatens, and has taken over, zones that are developed as well as those that are underdeveloped.

The fact is that the enemy works at all times and at all places. There is no single defense. There must, at all times and all places, be the utmost vigilance.

I do believe, however, that the most important thing is that all of the free-world peoples should feel that they live in a dynamic society, one that is moving forward, and that they can see the future as one of new opportunity. Also they should see that opportunity as one that can be developed by the enterprise of men and women who are free, who exercise a choice as to what they will think and do and believe, and who strive not just for themselves, not just for their state, but for a world of human brotherhood.

We do indeed face a future of immense and exciting challenge. Here on this earth two vast, bleak, and forbidding areas, the Arctic and the Antarctic, suddenly open up as new areas for productive human effort. The new power of the atom will come to transform the mechanics of human life. And now there opens up above us the vast possibility of exploring and developing outer space. And within each of our countries new developments of science, research, and communications open up new prospects that challenge human efforts.

Nowhere is that more the case than in this vast nation of Brazil.

The essential thing is not how to prevent communism from changing the status quo, but how we ourselves shall change the status quo so as to make the future more exciting and more productive of human welfare—a welfare, let it be remembered, which is to be found not merely in material but even more in spiritual terms. It is in that latter respect that the materialists, the atheists, are bankrupt. We can be confident that the future is for the free.

I am happy, Your Excellency, to have come to this land of the future, to gain new inspiration from your dreams and your determination to labor and sacrifice to make those dreams come true. We want to be a part of all of this, for it is in accord with our own tradition.

May we go forward, always side by side, in the spirit of endeavor and of courage which is proper for those who fear no man, but only God.

ADDRESS ON AUGUST 66

In this time when many problems confront the nations it seemed fitting for me to come to Brazil and meet with President Kubitschek, Foreign Minister Negrao de Lima, and other leaders in this great Republic. I have come with a triple purpose: firstly, to discuss matters that involve distinctively our two nations; secondly, to exchange views on how to promote the hemispheric solidarity of the 21 American Republics; and thirdly, to counsel on how to dispel the growing clouds which, now darkening the eastern horizon, could black out all the world.

The Republics of the United States of Brazil and the United States of America have been friends for more than 150 years. This friendship is based upon common traditions and common ideals. It is fortified by a long history of cooperation. We have stood side by side in joint efforts to secure peace and freedom in the Western Hemisphere and in the world. The United States has not forgotten the choice Brazil made in the dark days after Pearl Harbor. You promptly became one of the United Nations alliance to fight for freedom and security in the world. Brazilian Navy and Air Force helped to combat the Nazi submarine menace, and the Brazilian Expeditionary Force fought in Italy. This is gratefully remembered in the United States. President Eisenhower told me, as I left Washington,

⁶ Made before the American Chamber of Commerce for Brazil at Rio de Janeiro (press release 449).

of his vivid recollection of the courageous and effective operations of your forces under his command in the Italian campaign.

However, it is not our comradeship in war but rather the subject of economic cooperation which is today the topic of special concern to our two countries.

We recognize the need for rapid and solid economic development in Brazil. Brazil's tremendous potential excites the imagination. You have a vast expanse of territory. It is endowed with great natural wealth. Your expanding population is already half that of all South America. Your people are proud, energetic, and dynamic. The future is bright for Brazil.

We in the United States share Brazil's confidence in herself. We are gladly collaborating with Brazil in her efforts to achieve her manifest destiny.

A large contribution to Brazil's growth is represented by the direct private investment here of United States citizens and companies. Many of this audience represent United States firms with important interests in Brazil. Such private investments constitute an important stimulus to development. They contribute far more than simply money resources. They bring the results of research, technology, know-how, new skills, and new products. This spells expanded opportunities for the individual and a higher standard of living for all.

In addition to private investment there is an impressive amount of assistance by the United States Government. The Export-Import Bank has, at the moment, credits of one and one-quarter billion dollars extended to Brazil. Brazil has received more development loans from the Export-Import Bank than any other country in the world. The construction of the integrated steel plant at Volta Redonda, the acquisition of vital industrial and agricultural equipment, and the extensive modernization of the Brazilian railroad and airtransport systems were all helped by such loans. There are also education, health, and sanitation projects which were begun under United States technical cooperation programs and which Brazil herself has now partially taken over. One look at the record confirms that the United States is vitally interested in the economic future of Brazil.

But it is never tolerable to be satisfied with what was or is. Dynamic people never stand still. So

both Brazil and the United States seek to speed the sound economic development of this great Republic.

Our study of problems connected with the world coffee market is a new and constructive approach to an age-old, and heretofore unsolved, problem.

Of course there are basic economic laws, not merely manuade verdicts, that limit the amount of capital which any one nation can prudently export over and above what is covered by receipts. Also, the United States has many responsibilities throughout a free world that is subjected to a great military menace and to many "cold war" assaults. We have, to a degree without parallel in history, contributed money, materiel, and human effort to assist other countries to make their independence more secure. We contribute immensely to a military establishment that deters war in the interest of us all. The demands upon our financial and material resources are tremendous. Our response serves not merely ourselves but all freedom-loving nations. But, in discharging these worldwide tasks, we do not and shall not neglect the need that our two economies shall be strong, vigorous, and helpful to each other. That is the theme of our bilateral tasks.

Hemispheric Solidarity

Let me now speak of hemispheric solidarity. The sense of American unity goes back to the early days when the American nations won their independence from colonial rule. We have organized that unity, not merely for defense but for positive, creative tasks. Today the Organization of American States stands as the finest example of regional organizations.

I recall vividly the day at San Francisco in 1945, when it seemed that the United Nations Organization might be designed to supplant, rather than to supplement, our hemispheric association. The United States delegation—which included that great friend of the Americas, Senator Vandenberg—joined with the Latin American delegations to bring about changes in the Dumbarton Oaks proposals, changes which would encourage the development of regional associations and make them free from the paralyzing veto power which the Soviet Union could exercise in the Security Council of the United Nations.

We have gone south, there to perfect our unity

through the OAS and through the Rio Treaty. That treaty gave expression to the fraternal principle that "an armed attack by any State against an American State shall be considered as an attack against all the American States." That principle of interdependence became the basis for other collective-defense associations, such as the North Atlantic Treaty Organization and the Southeast Asia Treaty Organization. But the Americas were the pioneers.

I also recall the declaration of Caracas of March 1954.8 Thereby the American Republics declared that "international communism, by its anti-democratic nature and its interventionist tendency, is incompatible with the concept of American freedom," and our Republics went on to declare that "the domination or control of the political institutions of any American State by the international communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat . . . endangering the peace of America. . . ."

That again constituted a pioneering step which has been followed by other democratic and freedom-loving nations.

As I have participated in meetings of other regional security organizations, I have frequently cited to them our OAS as having many advanced characteristics which ought to be followed. And indeed they have been followed. We can be proud of the leadership which the American Republics have given in promoting international order on a regional basis. But, here again, we dare not be complacent or satisfied with what is. We must constantly seek something better. There is room to improve the OAS. And that is one of the subjects which we have discussed here together.

One possible deficiency in our organization is that it does not bring together at regular intervals the foreign ministers of the member states. The North Atlantic Treaty Organization has two ministerial meetings a year. The same is true of the Baghdad Pact. In the case of the Southeast Asia Treaty Organization there is one such meeting annually. These meetings, usually held in different countries of the member states, serve

⁷ For text, see Bulletin of Sept. 21, 1947, p. 565.

greatly to promote personal relationships and better understanding of both regional problems and world problems.

The United States has kept in touch with its fellow Republics in relation to world problems. Since June 1955 President Eisenhower or I have met on no less than 15 occasions with the 20 Latin American ambassadors to the United States in order to discuss important world developments. Also there was the 1956 meeting of the American Presidents at Panamá.

However, such meetings, valuable as they are, are no substitute for periodic ministerial meetings. Various members of our organization have suggested that our procedures be developed in this respect, and I hope that something along this line can be agreed upon.

Also, I think, we could usefully exchange views more regularly with respect to economic matters. The interdependence of our nations is not merely political. To an even greater extent it is economic.

Throughout the world today there are new and dynamic aspirations for economic development, for higher standards of living, and the conquest of poverty and disease. Communism has its formula for responding. Being atheistic and materialistic, it believes that economic welfare can best be promoted by treating individuals as animated particles of matter and compelling them to act in accordance with some program dictated by the leadership of the Party.

It is, of course, true that economic advancement can be achieved by imposing the harsh discipline of long hours of work at tasks chosen by the state, by denying the workers the right to organize and bargain, and by depriving the workers enjoyment of most of the fruits of their labor. Such a system can extract from the people important, even spectacular, results in terms of military and capital developments.

It is nothing new that coerced labor can produce spectacular results. We admire the pyramids, too often forgetting that they were made possible by lashing the backs of slaves. We admire the Colosseum of Rome and many of the palaces of emperors throughout the world. I do not know, or greatly care, whether a materialistic pagan rule can be more productive materially than can a spiritual society. I do know that a society can produce abundantly and at the same

⁸ For text of the Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against International Communist Intervention, see *ibid.*, Apr. 26, 1954, p. 638.

time permit the individual to exercise the rights with which he is endowed by his Creator.

Of course, the economic well-being of a nation always depends primarily on its own efforts. Economic progress in a free society requires a stable political order. It requires sound fiscal, monetary, and taxation practices. It requires that the people freely accept self-discipline, hard work, and frugality. But it also requires—and this is now understood better than ever before—that there be cooperation on an international basis.

The OAS has already taken important economic steps. It has organs to promote the economic, social, and cultural advancement of all the American Republics. It is, in my view, imperative that we utilize fully this machinery to find a solution for our economic problems.

The United States will not slacken but will expand its efforts to help all the American Republics help themselves to achieve economic strength under freedom.

The International Scene

I turn now to discuss the international scene. The prospects are somewhat somber. There are disturbing symptoms, such as preceded, and forecast, World War II.

You will recall that during the period of 1935 to 1939 certain powerful countries, under aggressive and expansionist leadership, sought to extend their domain in the world. They deprived weaker nations of their independence, sometimes through devices of indirect aggression whereby truly independent governments were ousted in favor of governments which in fact were puppets—composed of those who were subservient to foreign order.

The League of Nations failed to move vigorously to resist this mounting tide of aggression. Concession after concession was made until finally, when it came to Poland, the nonaggressive powers decided to stand firm. But by that time the aggressive powers were so overconfident, so reckless, that they would not stop, and World War II ensued.

Now it is international communism that seeks to rule the world. It often proclaims that goal; and indeed it cannot otherwise establish the world order of enforced conformity that it seeks. By direct and indirect aggression, principally the

latter, it has already gained control of nearly a third of the population of the world, and it utilizes that power to extend further its rule.

The free nations of Europe, Asia, and the Americas have made a series of collective-defense associations, and these are backed by the tremendous military power of the United States. In this way, open, armed aggression has been deterred. But efforts at indirect aggression have not been deterred.

The United Nations took cognizance of the danger of indirect aggression following the Communist attempt, through indirect aggression, to seize control of Greece and its successful taking over of Czechoslovakia. In 1949 the United Nations General Assembly, in its "Essentials of Peace" resolution, called upon all nations to refrain from "fomenting civil strife." In 1950 in a resolution entitled "Peace Through Deeds" to denounced "fomenting civil strife in the interest of a foreign Power" as among "the gravest of all crimes against peace and security throughout the world."

There were only five votes against the adoption of these resolutions—the five votes of the Soviet Communist bloc.

The art of indirect aggression, of fomenting civil strife in the interest of a foreign power, has been perfected. Through use of inflammatory radio broadcasts; through the infiltration of weapons, personnel, and bribe money; through incitement to murder and assassination; and through threats of personal violence, it is sought in many countries to destroy their genuine independence by corrupting, eliminating, or intimidating political leadership which would stand up for the rights of their own country.

I observe that the communique issued last Sunday [August 3] by Mao Tse-tung and Khrushchev from Peiping states, "China and the Soviet Unior. give firm support . . . to the national independence movements in Latin America."

One can but wonder who gives Russia and Communist China a mandate to interfere in Latin American affairs. Also, what is the "independence" of which they speak? If they want to give "independence," there is plenty of opportunity near at home, as, for example, in Hungary.

The question is whether the nonaggressive

[°] Ibid., Nov. 28, 1949, p. 807.

¹⁰ Ibid., Nov. 13, 1950, p. 767.

states will act in time. I recall that Stalin, in March 1939, speaking of Fascist aggressions, accused the "nonaggressive countries, particularly England and France," of a "policy of indifference." That, he said, "means conniving at aggression, giving free rein to war, and consequently transforming the war into a world war."

The United States is determined that this "indifference," this "conniving at aggression," shall not happen again. To show that, we responded to the appeal of a freely elected Government of democratic Lebanon, in made at a moment of desperate danger, danger fomented from without. We came to Lebanon's help, at the same time calling upon the United Nations to supplant our help with increased help of its own. That increased United Nations help would have been given, and United States forces would already now be withdrawing, had not the Soviet Union cast the only negative vote and thereby vetoed first a United States and then a Japanese resolution designed to bring about that result.¹²

The United States is convinced that, if indirect aggression—the fomenting of civil strife in the interest of a foreign power—is tolerated as an instrument of international policy, events will indeed follow the tragic pattern which led to World War II, and this time with even more disastrous consequences.

But surely the preventing of indirect aggression should not be the task of individual nations. That, too, is subject to possible abuse. The task is the collective task of the world community embodied in the United Nations.

Because we believe that the situation is grave, because we believe that the United Nations should accept responsibility, the United States called for an extraordinary meeting of the Security Council to be attended by the top members of government, as is authorized by the United Nations Charter.

The Soviet Union has evaded thus dealing with this matter in the United Nations Security Council. It prefers a meeting of five so-called "great powers" of its selection. This corresponds with the long-established view of the Soviet rulers and reflects their contempt for those nations which have no great military capacity. At the Yalta Conference in December 1945, Stalin said that he

was prepared to join with the United States and Great Britain "to protect the rights of the small powers" but he would never agree to having any action of the great powers submitted to the judgment of the small powers.

This has been a persistent theme with the Soviet Union. As against it, the United States adheres to its traditional view that, when grave issues confront all the world, their solution is properly a matter for consideration by nations representing all regions and the small as well as the large. As President Eisenhower pointed out in his letter of August 1 to Mr. Khrushchev,¹³ the ability of a nation to contribute to peace is not measured by the number of divisions it possesses.

The Security Council of the United Nations was chosen to represent all of the members on matters of threats to the peace. Its membership was particularly designed to include nations from the different regions and nations additional to the so-called "great powers." The Latin American Republics are now represented on the Security Council by Colombia and Panama, and the Latin American viewpoint should be heard.

The existence of the United Nations Security Council does not, of course, preclude preliminary exchanges of views elsewhere. Because of the authority and influence of Brazil and the value we attach to the opinions of the Government of Brazil, I have, in spite of many urgent requirements at home, come here at this critical time to exchange views here on world peace and order.

Let me say in conclusion that, while the situation is serious, I have no fear. The occasion for fear would be the indifference of the peace-loving peoples, or their disorganization, or their lack of awareness of the danger. Today the free peoples are united through regional organizations and through the United Nations. They are not indifferent to the danger but are alert, even at great risks, to confront the danger boldly. They have, together, preponderant power in the world.

We acknowledge human frailty and the finiteness of human endeavor. But we have unlimited faith in the great ideals that unite us. We believe in human dignity and in the rights of men. We place our trust in God. With humility, but with courage and imagination, we will unite our efforts with all who are animated by such sentiments to

¹¹ Ibid., Aug. 4, 1958, p. 181.

¹² For background, see *ibid.*, p. 186.

¹³ Ibid., Aug. 18, 1958, p. 274.

seek peace with justice and thus to secure for ourselves and our children a better life. Joined in a common determination to preserve our freedoms, we need fear no enemy. If our common counsels, our common determination, and our united power are inspired by divine guidance, that will enable freedom to survive, victoriously and in peace, and to usher in a new era of human progress and betterment.

STATEMENT ON RETURN 14

We return from Brazil very grateful for the cordiality of our reception both by the Government and by the people.

Our talks there with President Kubitschek, Foreign Minister Negrao de Lima, and Finance Minister Lopes have brought our two nations, traditionally the best of friends, even more close together.

The people of Brazil and of the United States of America, and indeed the Latin American peoples generally, are dynamic. They wish to move ahead and to feel a consciousness of orderly growth.

President Kubitschek has given timely impetus to what he appropriately ealls "Operation Pan-America," which will be designed to give greater scope to the aspirations of the American peoples.

All of this will, of course, at once become the subject of exchanges of views between the members of the Organization of American States. I do not doubt that the outcome will be positive and creative.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on July 31 (press release 437) that the Secretary and Mrs. Dulles would be accompanied to Rio de Janeiro by Andrew H. Berding, Assistant Secretary for Public Atfairs; Thomas C. Mann, Assistant Secretary for Economic Affairs; Roy R. Rubottom, Jr., Assistant Secretary for Inter-American Affairs; Joseph N. Greene, Jr., Special Assistant to the Secretary; and the Officer-in-Charge of Brazilian Affairs, Ernest V. Siracusa.

Dr. Eisenhower Reports to President on Central American Trip

Statement by Dr. Milton Eisenhower 1

Mr. President: My associates and I are deeply moved by your personal reception of us this evening; we recognize that your generous action is inspired by more than brotherly affection; it is also your unmistakable notice to all the world that you, as we, consider firm, abiding relations among the nations of this Hemisphere to be essential to our common future. You sent us on a mission of good will and fact-finding.

At once, upon our return from three weeks in Panama, the five Central American countries, and Puerto Rico, we wish to express our deep appreciation to the Presidents and peoples of the area visited for their friendly reception of us. Everywhere we experienced the warm friendliness which the peoples of this hemisphere have for the United States.

The absence of any unfriendly incident may have confounded those who were looking for sensational headlines, but this very circumstance enabled us, calmly and rationally, to accomplish precisely what we set out to do—to gain a new perspective of the problems, progress, attitudes, and aspirations of the nations visited, as a basis for determining whether new approaches in our own policies and programs might strengthen relations among us.

I re-affirm now all I reported to you, Mr. President, in November 1953 following the fact-finding trip I made to the ten republics of South America.²

Now, however, I must add a note of urgency to what I then recommended. I shall make additional suggestions for policy and program improvements which I hope will be found acceptable.

I shall even this evening make a preliminary report. My suggestions will deal with:

1. The imperative need for bankable loans—not grants—in every country visited;

2. The response which I believe the United

¹⁴ Made at the Washington National Airport on Aug. 7 (press release 455).

¹Released by the White House on Aug. 1 upon Dr. Eisenhower's return from a 3-week factfinding trip, as personal representative of the President, to Panama, Honduras, Costa Rica, Nicaragua, El Salvador, and Guatemala. He was accompanied by Roy R. Rubottom, Jr., Assistant Secretary of State for Inter-American Affairs; Tom B. Coughran, Assistant Secretary of the Treasury; Dempster McIntosh, Manager, Development Loan Fund; and Samuel C. Waugh, President, Export-Import Bank.

² Bulletin of Nov. 23, 1953, p. 695.

States should make to the appeal of the Latin American nations for more stable relationships between raw-commodity prices and the prices of manufactured products;

3. The urgent and immediate need to bring about throughout the hemisphere a clear, accurate understanding of United States policies, purposes,

programs, and capabilities.

My associates and I met with some 1,200 leaders of government, industry, agriculture, labor, commerce, finance, education, health and social and cultural institutions. We had candid conversations with all of them. They submitted to us some 1,000 pages of data and suggestions.

Now I shall want to hold a series of conferences with numerous individuals and agencies, as I study and integrate this evidence—especially with the Vice President, who recently returned from a trip to South America; officials of the International Bank; the Board of the Export-Import Bank and the Board of Directors of the Development Loan Fund. I shall also want to consult with high officials in the State, Treasury, Labor, Agriculture, Commerce and other Departments.

Since I must do this without neglecting my University duties, I cannot predict when a final brief report will be ready, but the sense of urgency I feel about the problems in the great Central area of this Hemisphere—indeed, about the situation in all the Americas—will impel me to conclude my assignment at the earliest possible moment.

My confidence in the unity, common purpose, and common destiny of the Americas has been strengthened by all I have learned on this trip. The vast majority of the leaders and peoples of Latin America are firm friends of the United States. They do not intend to permit a tiny minority of conspirators and a few misguided associates of such conspirators to confuse and divide us.

May I say in all eandor that while, of course, I believe the United States must shore up its policies and programs with respect to Latin America, it is just as essential that all our neighbors to the South re-examine—as I know they will—their policies with respect to the United States. Good relations are never the result of unilateral action. They are the outcome of mutual understanding, mutual respect, shared goals, and a common determination to live, work, and progress together. We are partners in the quest for independence. freedom, democracy, and peace with justice.

I repeat the final words of my 1953 report: "Working together, the nations of this Hemisphere can, if history should so decree, stand firmly against any enemy in war, and prosper mightily together in times of peace,"

U.S.-U.K. Atomic Energy Agreement **Enters Into Force**

Press release 444 dated August 4

The Governments of the United States and the United Kingdom on August 4 exchanged notes bringing into force the bilateral agreement for cooperation on the uses of atomic energy for mutual defense purposes. The United States was represented by Acting Secretary Herter, Viscount Hood, British Chargé d'Affaires, represented the United Kingdom. This agreement, which was signed on July 3 1 by Secretary Dulles and Viscount Hood, will permit the resumption of ecoperation between American and British scientists in the field of nuclear weapons, which proved fruitful during the last war but which lapsed thereafter.

The new agreement results from decisions taken by President Eisenhower and Prime Minister Maemillan as set forth in the Declaration of Common Purpose of October 25, 1957.2 At that time, the President and the British Prime Minister agreed that closer collaboration of the scientists of both countries would accelerate the nuclear advancement of both nations and contribute to the defense of the free world.

The President then undertook to "request the Congress to amend the Atomic Energy Act as may be necessary and desirable to permit of close and fruitful collaboration of scientists and engineers of Great Britain, the United States, and other friendly countries." After eareful consideration of the President's proposals, the act was amended by Congress. Upon approval of the amendments by President Eisenhower, the United States and the United Kingdom hastened to conclude the present agreement.

Article XII of the agreement states that it will enter into force when each Government has notified the other that it has complied with all statu-

¹ Bulletin of July 28, 1958, p. 157.

² Ibid., Nov. 11, 1957, p. 739.

tory and constitutional requirements. This, on the U.S. side, required that the agreement lie before Congress for 30 days. This period has expired, and the exchange of notes brings the new agreement into force.

Technical discussion will be necessary in order to work out details of the exchanges which will take place. Visits by experts in both directions will, no doubt, occur. The objective of both Governments, however, is to establish a full, friendly working relationship in this field on a continuous basis. Since each country has a substantial effort-in-being in this field, such a relationship cannot but result in improved efficiency and economy in the contributions which both are making to the common defense and security of the free world.

United States Balance of Payments With Latin America During 1957 and the First Quarter of 1958

by Walther Lederer and Nancy F. Culbertson

The transactions between the United States and Latin America reflect some of the economic readjustments which a large part of the free world is currently experiencing. Stimulated by the rapid rise in demand after the war-and in some instances by rapidly rising prices-productive facilities for several commodities were expanded in excess of current requirements both here and abroad. As a result, weaknesses developed in the markets for these commodities. In some instances, expansion programs were slowed down and this slowing down reduced business activity. For some commodities the market weaknesses appeared in the form of falling prices, for others in the form of rising inventories of unsold products or in an underutilization of productive facilities.

Although such developments occurred in several industries and countries in the free world, their effects were transmitted through trade, capital movements, and other transactions to other industries and countries, thus reinforcing declining tendencies in their economies and often increasing imbalances in their international transactions.

The United States balance of payments for the latter half of 1957 and the first 3 months of 1958 indicates that the effects of adjustments in foreign demand (including those arising from factors not connected with changes in foreign business activity) on the U.S. economy were considerably more than the effects of the decline of U.S. production on foreign dollar receipts. Recorded foreign expenditures in the United States declined

from an annual rate of \$27.7 billion in the first half of 1957 to \$26 billion in the second half and \$22.7 billion in the first quarter of 1958. The outflow of funds from the United States was comparatively more stable. It declined from the first to the second half of 1957 from an annual rate of \$27.8 billion to \$26.6 billion and almost leveled off to \$26.4 billion during the first quarter of 1958.

Even this small decline in U.S. payments to foreign countries was to a considerable extent due to factors not associated with the slowdown in United States business activity. Prices of several imported commodities had started to decline before, and independent of, the change in business trends in the United States. Irregularities in coffee imports reflected shifts in inventory poli-

• This article is the fifth in a series on the balance of payments between the United States and the Latin American Republics. The first four articles appeared in the Bulletin of March 26, 1956, p. 521; December 24 and 31, 1956, p. 983; July 8, 1957, p. 79; and January 6, 1958, p. 23. The authors are members of the Balance of Payments Division, U.S. Department of Commerce. The data on which this article is based were prepared by the Balance of Payments Division and published in the June 1958 issue of the Survey of Current Business, the monthly periodical of the Office of Business Economics.

cies in anticipation of price changes rather than changes in U.S. consumption. The volume of U.S. imports during the first 2 months of 1958 was slightly higher than during the corresponding period of 1957, when the economy was near its recent peak. Omitting coffee, the increase was nearly 6 percent. Thus, for the free world as a whole, at least, the adverse effects emanating from the recession in the United States through lower imports of certain commodities and a decrease in certain types of investments abroad seem to have been compensated so far by an increase in U.S. purchases from abroad of other commodities and in other transactions supplying dollars to foreign countries.

Transactions Comparatively Stable

Transactions between the United States and Latin America as a whole through 1957 not only were more stable than those between the United States and other foreign countries, but, after seasonal adjustment, both U.S. receipts and payments (omitting those for oil concessions in Venezuela) increased from the first to the second half of the year. By the second half of 1957 U.S. receipts from Latin America mainly from the sale of goods and services and from investment incomes were about 15 percent higher than a year earlier, while U.S. receipts from other areas were slightly lower. U.S. payments to Latin America were about 7 percent higher and, if the outlays for Venezuelan oil concessions are omitted, nearly 12 percent more. U.S. payments to all other foreign areas were down by about 4½ percent.

The relatively greater stability in the mutual transactions of the United States and Latin America apparently was the experience not only of United States business but also of Latin American business. While Latin American exports to countries other than the United States during the second half of 1957 were about 7 percent lower in value than a year earlier, sales to the United States were about 6 percent higher. Omitting Venezuela, Latin American exports to countries other than the United States fell by about 9½ percent, while those to the United States increased by nearly 3 percent.

Expenditures Rise Faster Than Receipts

For 1957 as a whole, recorded payments by the United States to Latin America for imports of

goods and services, for net donations, and for investments in excess of liquidations or repayments amounted to \$6.7 billion as compared with \$5.8 billion in 1956. U.S. payments to Latin America have steadily grown since 1953, when they totaled \$4.6 billion.

Recorded receipts by the United States from the area for exports of goods and services and for net long-term investments were \$6.6 billion, an increase of \$980 million over 1956. Neither U.S. receipts from nor payments to Latin America in 1957 have been exceeded in any prior year.

Economic transactions between the United States and Latin America in 1957 thus resulted in net payments by the United States of \$80 million. In 1956 our net payments were over \$200 million, and in the 3 earlier years they varied from \$225 million in 1953 to \$38 million in 1955.

The fact that Latin American expenditures in the United States rose faster than receipts from this country, together with changes in transactions with other areas, increased balance-of-payments difficulties for several countries in the area. Excluding the increase of nearly \$500 million in gold reserves and liquid dollar holdings by Venezuela, the reserves of the other 19 Republics declined by about \$250 million during the year. In addition, these countries as a whole used about \$157 million which they had obtained from the International Monetary Fund (IMF). This deficit of about \$400 million represented a noticeable deterioration of the balance of payments of these countries from the previous year, when their gold and dollar holdings declined by only about \$60 million.

The largest deficits were those of Argentina and Brazil, which accounted for \$300 million of the 1957 total. (This amount includes \$112.5 million obtained from the IMF.) Mexico had a decline of \$44 million in its gold and dollar holdings, but because of relatively large reserves held by that country the decline was far less serious than in the case of Argentina and Brazil. Chile's balances dropped by \$22 million, in addition to the use of nearly \$19 million obtained from the IMF; Peru lost \$31 million and Uruguay \$24 million.

Although these reductions in reserves were serious for the countries concerned, lower receipts from imports by the United States were generally not the major contributing factor. A possible exception may be Chile, from which imports in

1957 were about \$40 million lower than in the previous year, compared with Chile's deficit of \$41 million. Imports from Brazil declined about \$45 million, which was about one-third of that country's gold and dollar deficit, those from Argentina by \$4 million, and those from Uruguay by \$7 million. On the other hand, Mexico and Peru reduced their gold and dollar holdings, although their sales to the United States were higher than in 1956.

The factors responsible for the increase in payments to Latin America from 1956 to 1957 were rises in U.S. imports of goods and services by \$160 million, in the net outflow of U.S. private capital by \$590 million, and in Government credits and nonmilitary grants by over \$80 million.

Imports of Merchandise Rise

In 1957 several of the Latin American Republics increased sales to the United States over the previous year. Venezuela accounted for almost \$200 million and Mexico and Cuba for \$29 million and \$25 million, respectively. A small rise was recorded in sales by Ecuador, the Dominican Republic, Haiti, Peru, Paraguay, and most of the Central American Republics. Among the countries which experienced a reduction in their sales to the United States in 1957, Brazil and Chile are the outstanding examples, with a drop of \$46 million and \$41 million respectively. Colombia and Bolivia had a decline of about \$26 million each.

The expansion of \$155 million in the value of U.S. imports from the area as a whole does not fully reflect the over 5 percent increase in volume. The average unit value of imports from Latin America was down by over 1 percent from 1956. The major declines were in the unit value of coffee and copper.

Coffee and petroleum and related products both in 1956 and 1957 accounted for slightly over one-half of the total value of our imports from Latin America. The value of coffee declined by about \$95 million, but imports of petroleum and products rose from \$664 million in the previous year to \$837 million. Other imports increased over 1956 by \$75 million, or 4 percent.

The gain in U.S. imports from Venezuela in 1957 was due to the rise in quantity and price of petroleum and products and of iron ore. Other commodities in which a rise in quantity and price

Major Commodities Imported From Latin America 1956 and 1957

(Millions of dollars)

| | 1: |)56 | 1957 | | | |
|------------------------|---------------|----------------|-----------------|----------------|--|--|
| | First half | Second half | First half | Second half | | |
| Coffee | 693 | 609 | 627 | 580 | | |
| Cane sugar | 179 | 152 | 182 | 174 | | |
| Cocoa and cocoa beans. | 31 | 36 | $\overline{25}$ | 44 | | |
| Copper | 142 | 140 | 116 | 91 | | |
| Other metals and manu- | | 1 1 | | | | |
| factures | 155 | 162 | 184 | 213 | | |
| Petroleum and pro- | | | | | | |
| ducts | 316 | 348 | 432 | 405 | | |
| Wool unmanufactured . | 51 | 22 | 39 | 20 | | |
| Other | 415 | 324 | 402 | 395 | | |
| FD 1.1. | | | | | | |
| Total imports 1 | 1,982 | 1, 793 | 2,007 | 1, 922 | | |
| Seasonally adjusted | 1,888 | 1, 888 | 1,910 |]-2,019 | | |

Source: Bureau of the Census and Bureau of Foreign Commerce, U.S. Department of Commerce.

occurred were zinc ore from Mexico and Peru; nickel oxide and sugar from Cuba; and manganese ore from Brazil. Conversely, imports of tungsten and tin ores from Bolivia and coffee, mainly from Brazil and Colombia, fell sharply in both quantity and price. The rise in the quantity of copper, imported mainly from Chile, Mexico, and Peru, was more than offset by the 30 percent decline in price. The value dropped to \$207 million, about 27 percent less than in 1956. Because of the decline in prices paid for lead, obtained mostly from Mexico and Peru, the value imported remained at \$64 million, although the quantity increased nearly 8 percent.

Among other important imports from Latin America, meat and cattle, vegetable oils, and oil-seeds had significant increases, while wool declined in value although the unit value was slightly higher. The rise in cocoa prices was offset by a smaller import volume, leaving the value about the same as in the prior year.

For total imports the movement in the value from the first to the second half of the year, after adjustment for the usual seasonal variations, was decidedly upward. During the first half of 1957 imports were about 1 percent higher than during the corresponding period of 1956; during the second half of the year the difference widened to 7 percent. (Seasonally adjusted imports during the

313

¹ Total imports represent general imports adjusted to balance-of-payments concepts. Commodity data represent imports for consumption.

first and second halves of 1956 were about equal in value.)

Payments for Services Continue Large

The Latin American Republics received from services furnished the United States in 1957 over \$1 billion, slightly more than in 1956. U.S. residents traveling in the Republics spent over \$400 million in 1957, an increase of \$40 million over 1956. Although the rate of increase was somewhat less than during the previous year, it was considerably higher than the 6 percent increase in U.S. travel expenditures in other foreign areas. Mexico accounted for more than \$300 million and for about \$26 million of the increase. About twothirds of our expenditures in Mexico are made in the border districts. Central America and the three Republics in the West Indies received from U.S. travelers about \$60 million and the South American Republics \$37 million, of which Brazil and Venezuela accounted for about one-half. The rise in expenditures in South America was relatively larger than in any other part of Latin America.

Among the other major service payments are wages earned in the United States by Mexican migratory workers. The amount sent or carried back to Mexico in the form of cash or in goods purchased in the United States is estimated to have been about \$120 million in 1957. The cor-

UNITED STATES EXPORTS TO LATIN AMERICA, 1956 AND 1957 BY HALF-YEAR PERIODS (Millions of dollars)

| | 1956 | 1957 |
|---|--------|-------------|
| Machinery | 986 | 1, 253 |
| Trucks and buses | 225 | 260 |
| cept new passenger cars | 243 | 37 9 |
| Iron and steel mill products and metal manufactures | 378 | 542 |
| Chemicals and related products | 402 | 445 |
| Passenger cars, new | 117 | 140 |
| Textile manufactures | 174 | 175 |
| Foodstuffs | 419 | 462 |
| Other | 886 | 972 |
| Total exports 1 | 3, 830 | 4, 628 |

Source: Bureau of the Census and Bureau of Foreign Commerce, U.S. Department of Commerce.

responding amount for 1956 was about \$130 million.

A \$40-million decline in expenditures for transportation transactions was due to lower charter payments for vessels registered in Panama and therefore did not affect the Latin American economies.

Outflow of Government Funds Higher

U.S. Government nonmilitary grants and the net outflow of Government capital increased from about \$178 million in 1956 to \$257 million in 1957. This was the largest amount during the postwar period except for 1953, when large loans were made to Brazil for the consolidation of outstanding private debts.

Nonmilitary grants increased \$30 million to about \$110 million. This amount included \$80 million under the mutual security program and \$20 million for the construction of the Inter-American Highway. About half of the grant assistance under the mutual security program was given to Bolivia and Guatemala.

The net outflow of Government capital of \$145 million in 1957 consisted of long-term loans of \$300 million, less repayments of \$155 million.

Of the long-term credits, over 70 percent, or \$215 million, were disbursed by the Export-Import Bank. This compares with \$65 million in 1956. (These figures do not include loan disbursements by private banks under Export-Import Bank guaranties.) In 1956 Latin America obtained about 29 percent of all Export-Import Bank disbursements. In 1957 this share increased to about one-third. The outflow of such loan funds to other areas included, however, a special \$250-million loan to the United Kingdom. Without that loan Latin America's share would have been about 55 percent.

Disbursements on Government long-term loans continued to rise steadily through 1957. This rise corresponds to the increase in new loan authorizations during 1956. Although new authorizations in 1957 were smaller, they were still about as large as the disbursements, so that the backlog of undisbursed loans remained almost unchanged at about \$850 million. The size of this backlog and the recently increased lending authority of the Export-Import Bank suggest that the 1957 rise in Government loan disbursements was not a temporary peak but that the outflow of funds to

¹ The total represents general exports adjusted for balance-of-payments purposes and includes "special category" items which for security reasons are excluded from commodity data.

Latin America may continue at this rate for some time

The aggregate of Latin American currencies held by the U.S. Government remained stable at about \$117 million. There were considerable movements in these holdings, however, as currencies were received in payment of surplus agricultural commodities and utilized mainly for grants or loans. Agricultural sales for foreign currencies declined in 1957 from the previous year by almost half to \$68 million, and disbursements or utilization of the foreign currencies—primarily for long-term loans—more than tripled, to \$67 million. The result was a net accumulation of foreign currencies of \$1 million in contrast to \$105 million in 1956.

Outflow of Private U.S. Capital Rises

In 1957 the net outflow of capital to Latin America through direct investments was about \$1.1 billion. This was nearly \$500 million in excess of the net outflow to the area in 1956, which until 1957 was at an alltime high. About one-third of the net outflow in both years was for petroleum concessions in Venezuela. Direct investments in Latin America, excluding these petroleum concessions, increased from about \$390 million to about \$750 million. Most of the increase was in the petroleum industry—including investments on newly acquired concessions—but mining, manufacturing, and utilities also shared in the rising capital outflow.

To obtain a total measure of U.S. investments currently made in the area, reinvested earnings of subsidiaries, reinvested depreciation allowances, exploration expenditures, and in some instances local capital, obtained either through loans or by selling securities, must be added. Reinvested earnings of subsidiaries were about \$240 million in 1956 and perhaps 10 percent more in 1957. The size of funds obtained from the other sources is currently not available but will be obtained for 1957 in a complete survey of U.S. direct investments abroad currently conducted by the Office of Business Economics of the Department of Commerce. On the basis of a recent study, The Role of United States Investments in the Latin

American Economy, published by the Department of Commerce, it appears that in 1955 depreciation amounted to about 5 percent of the book value of the investment. Applying this ratio, depreciation in 1957 may have been about \$350 million. Gross investments by U.S. companies in Latin America during 1957 thus are likely to have been upwards of \$134 billion, by far the largest amount invested by U.S. industry in Latin America in a single year.

Payments for oil exploration rights in Venezuela were completed in the third quarter of 1957. The net outflow of capital from the United States for direct investments, however, remained high throughout 1957, amounting to about \$170 million in the fourth quarter.

The net outflow of other U.S. private capital, such as short- and medium-term bank loans and commercial credits, increased from \$214 million in 1956 to \$312 million in 1957. Included in this amount are net credits to Mexico of about \$75 million, to Venezuela of \$50 million, to Brazil of about \$40 million, and to Chile and Uruguay of \$20 million each. Colombia received long-term loans from private banks, partly guaranteed by the Export-Import Bank, for consolidating and funding short-term debts to U.S. exporters.

The rise in short- and medium-term credit reflects in part the rise in trade with the United States and the growing interest of American banks in the Latin American economies. In part, however, it also reflects the difficulties of some countries to meet their current obligations to American exporters. About two-thirds of the credits were provided during the second half of 1957.

The total net movement of U.S. private capital to Latin America (excluding reinvested earnings) of \$1.4 billion was about 45 percent of the net outflow to all foreign areas. In 1956 only slightly more than one-fourth of the total accrued to Latin America. It may also be noted that the net outflow of funds through private investments and credits and through Government credits and non-military grants to Latin America was almost exactly equal to the net flow of funds through such transactions to all the independent countries of Asia and Africa. The smaller outflow of Government funds to Latin America was offset by larger amounts of capital from private United States sources.

¹For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C.; price \$1.75.

Gain in U.S. Receipts

U.S. receipts from Latin America in 1957 rose by \$980 million over the previous year. Merchandise exports accounted for \$800 million of the rise and income on investments, transportation, and travel for the remainder.

U.S. exports to the Republics in 1957 reached a record value of \$4.6 billion and comprised almost one-fourth of total U.S. exports. Machinery, transportation equipment, and metals and manufactures made up over half, or \$2.6 billion. These same commodities accounted for almost 80 percent of the \$800 million rise over 1956.

Latin America was the market for about 31 percent of our exports of industrial machinery, as against 19 percent absorbed by Europe. The share of Latin America in our exports of electrical machinery and equipment was about 34 percent, of automobiles and parts 43 percent, and of metal manufactures 39 percent.

Compared with 1951—the previous peak in U.S. exports to Latin America—the shares of industrial machinery, trucks and buses, and iron and

steel-mill products in total exports have increased. Electrical machinery, chemicals, and foodstuffs were up in value but comprised a lower percentage of the total. Passenger cars and textiles were lower, even in terms of dollar values. These changes reflect the effects of the economic development of the area, to some extent the rising supplies available from other industrial countries, and the general policy of using the available foreign exchange for capital goods rather than for consumer goods.

Colombia, Bolivia, Haiti, and Guatemala are the only countries which reduced their purchases of goods from the United States in 1957. On the other hand, Venezuela, Brazil, Cuba, Argentina, Mexico, Chile, Peru, and Uruguay increased their purchases by substantial amounts. Venezuela replaced Mexico as the largest buyer of U.S. goods. Exports to Venezuela amounted to \$1,050 million, or 23 percent of total U.S. exports to the area in 1957. The increase in U.S. exports to Venezuela over 1956 of \$376 million accounted for nearly half of the total increase to the area. Exports to

United States Balance of Payments With the Latin American Republics (Millions of dollars)

| | 1956 | 1957 | 1956 | | 1957 | |
|---|--|---|--|--|--|---|
| | | | First half | Second half | First half | Second half |
| United States payments: Merchandise Services, including investment income Remittances Government grants and other transfers¹ Direct investments (net) Oil concessions in Venezuela Other private United States capital (net) Total United States payments (Seasonally adjusted) United States receipts: Merchandise¹ Income on investments Services Long-term investments in the United States Total United States receipts (Seasonally adjusted) Balance (net payments by the United States) (Seasonally adjusted) Net gold and dollar receipts by Latin America from unrecorded transactions with the United States and from transactions with other countries and international institutions Increase or decrease (—) in Latin American gold and liquid dollar holdings | 3, 775 1, 012 31 90 612 (220) 214 97 5, 831 3, 830 918 834 33 5, 615 | 3, 929 1, 021 41 121 1, 104 (360) 312 146 6, 674 4, 628 1, 015 932 19 6, 594 80 | 1, 982 475 15 47 141 (—) 92 49 2, 801 (2, 746) 1, 864 433 392 9 2, 698 (2, 730) 103 (16) 62 165 | 1, 793 537 16 43 471 (220) 122 48 3, 030 (3, 085) 1, 966 485 442 24 2, 917 (2, 885) 113 (200) 26 139 | 2,007 491 21 62 704 (270) 111 38 3,434 (3,380) 2,238 522 455 14 3,229 (3,226) 205 (154) 203 408 | 1, 922 530 20 59 400 (90) 201 108 3, 240 (3, 294) 2, 390 493 477 5 3, 365 (3, 368) -125 (-74) -26 -151 |

Source: Office of Business Economics, U.S. Department of Commerce.

¹ Excluding military supplies and services under grant-aid programs.

Brazil increased by \$170 million and to Cuba by about \$100 million.

Exports reached their peak in the third quarter of 1957, after allowance for the usual seasonal changes. The decline from the third to the fourth quarter was rather small, but it accelerated during the first months of 1958. The decline, which was mainly in the trade with Argentina, Chile, and Peru, would have affected the total earlier in 1957 had it not been offset by the strong rise in exports to Venezuela.

The rise in incomes from direct investments continued through the first half of 1957, reflecting partly the higher investments in prior years and partly higher incomes in the petroleum industry as a consequence of the closing of the Suez Canal. During the second half of the year incomes on direct investments after seasonal adjustment stopped rising and seemed to be moving downward. This may have been the result of market weaknesses which had developed for several commodities produced by U.S.-owned enterprises.

Recent Developments

During the first quarter of 1958 the outflow of funds from the United States to Latin America through merchandise imports and capital movements declined. United States receipts from Latin America were also smaller than in the previous quarter, but by a somewhat lesser amount. Consequently, transactions between Latin America and the United States resulted in net receipts by the United States at a higher rate than during the last half of 1957.

This change in the balance of payments with Latin America early this year was in strong contrast to the shift in the overall balance of payments of the United States toward larger net payments. This shift reflects our transactions with Western Europe, Canada, and Japan. The relation between receipts and payments with the relatively less developed areas of Asia and Africa did not change significantly.

The Latin American Republics reduced their gold and dollar holdings during the first quarter by over \$100 million. Venezuela alone liquidated about \$125 million, and Mexico about \$30 million. Both countries have relatively large reserves. Smaller in amount, but large in relation to the size of their reserves, were the losses of Brazil

and Colombia. Uruguay and some of the smaller Republics had gains.

The decline in U.S. payments to Latin America was due partly to lower imports and partly to a smaller outflow of private capital.

The drop in imports can be attributed mainly to a reduction in coffee inventories in the United States and, therefore, may be assumed to be temporary. Other imports were in value approximately at the same rate as during the second half of last year. The reduced consumption in the United States of several industrial materials for which Latin America is a major source of supply apparently has been absorbed by the United States partly through curtailments in production of such materials and partly by rising inventories.

The changes in business trends in the United States as well as in other countries seem to have affected U.S. investments in Latin America more than imports. Direct investments during the first quarter were less than a year earlier, even if last year's purchases of oil concessions are not included in the total. Most of the decline was in the oil industry.

More important was the reduced outflow of short- and medium-term capital, reflecting possibly some concern about the size of indebtedness of some of the Latin American countries, which increased rapidly during 1957.

The decline in export earnings of some of the Republics, lower investments in Latin America by U.S. corporations, and the reduced ability of some of the countries to supplement their current foreign-exchange receipts by drawing on their reserves or on funds obtained from the Monetary Fund accelerated the decline in U.S. exports which had set in during the last quarter of 1957. Nevertheless, exports during the first 3 months of this year were still as high as a year earlier, in contrast to exports to all other areas, which were considerably smaller.

Recent changes in business activity both in the United States and elsewhere also accelerated the decline in incomes on investments which early this year were about 17 percent lower than during the first quarter of last year. The decline in investment incomes reflects mainly lower prices in the petroleum and mining industries. The decline in these receipts thus partly offsets declines in the value of U.S. imports and, in a more general sense, reductions in foreign-exchange earnings of the producing countries.

United States and World Economy

by Under Secretary Dillon 1

The key word in any description of the world economic situation today is "interdependence." We all know that the free nations have become dependent upon each other for survival in this day of nuclear weapons. But many of us may not yet realize how greatly interdependence in the economic sense has grown, especially in the past few years.

Interdependence imposes duties upon nations, just as citizenship brings obligations to people. In a community the more fortunate individuals must be the more responsible, and this applies equally to nations. Canada and the United States are certainly among the most fortunate of nations, and therefore Canada and the United States must be truly responsible in handling their economic policies.

Canada and the United States, and Western Europe as well, now enjoy the highest standard of living ever known in history. More of our people enjoy the comforts and pleasures of life than was ever the case before. But elsewhere, and particularly in Asia, the Near East, and Africa, grinding poverty and near starvation are often the lot of the average man. It is clear that we Canadians, Americans, and Europeans cannot survive forever as islands of comfort in a sea of poverty, disease, and frustration. We depend on the other people in the world, and they depend on us. Doing our duty as good citizens may sometimes seem expensive, but not doing it would be far more expensive, and morally indefensible to boot.

The first and foremost world economic problem today is economic development. We in North America know a great deal about development. The explorers of the West and the voyageurs of the North first pointed the way to vast new opportunities. It remained for the pioneer settlers, the farmers, the manufacturers, traders, and bankers to take advantage of these opportunities and to develop the resources of a continent. This process still continues in North America and with special vigor in Canada.

In the early days of its development the United States obtained its capital elsewhere by offering favorable conditions for investment. As it grew and matured economically, it began to provide much of its own capital. Eventually it became a net exporter of capital. Canada is still going through this process and is therefore a net importer of capital from other countries, including the United States.

While we in the United States and you in Canada are achieving higher and higher living standards through the efforts of private capital and enterprise, masses of people in Asia, the Near East, and Africa are existing on a hand-to-mouth, bare-survival basis. They are growing in number from year to year so rapidly that a substantial increase in output is essential every year if the standard of living is not to decline. In these areas capital is needed in large quantities. It is needed to provide increased production, necessary public services, and increased and more diversified skills. This need for capital will in part be met from private funds, but for certain types of investment, such as roads, harbors, and schools, private capital is unsuitable. If the development of these areas is to go forward, private funds must be supplemented by public capital. It is with this in mind that we in the United States

¹ Address prepared for delivery before the 1958 Couchiching Conference at Geneva Park, Canada, on Aug. 11 (press release 453 dated Aug. 7) and read for Mr. Dillon by Thomas C. Mann, Assistant Secretary for Economic Affairs.

and in Canada have been firm in our support of the IBRD [International Bank for Reconstruction and Development] and IMF [International Monetary Fund]. It is with this in mind that we in the United States have set up our Development Loan Fund. It is in this context that we have used wheat, cotton, and other surplus agricultural products to feed and clothe people in countries which desperately need their limited foreign-exchange earnings for capital equipment for development purposes. We have thus designed our surplus agricultural disposal program to make it contribute to economic development.

We know that our arrangements for agricultural surplus disposal have not always been greeted with enthusiasm in Canada. In certain respects, Canadian criticism was at one time justified. We have, however, altered our programs so as to minimize or eliminate interference in commercial markets, and we have put our emphasis on disposal in areas which lack the funds to buy commercially. The result has been beneficial, notably in such Commonwealth countries as Pakistan and India.

The Canadian response to the needs of underdeveloped countries, like Canada's response to problems of common defense, has been perceptive, generous, and effective. Canada has done a great deal to show the peoples of the underdeveloped areas the way to material progress and better economic life. We in the United States profoundly welcome Canada's great contribution. We know that people in both our countries sometimes question the value of such expenditures, but I do believe that popular support for foreign economic assistance is growing. Only a few countries can afford to help others, and we are both fortunate in being able so to contribute to world development. Our common policy in this field may surprise some people in both our countries who have been preoccupied with the differences between us. But from far away we look a great deal alike. We must remember this and remember that we are much alike in our external interests and aspirations, regardless of possible differences which from time to time may seem important to some of our citizens.

Reducing Trade Barriers

Along with capital, economic development requires an expansion of international trade. In the

period between the two world wars there was much discouragement about the prospects for international trade. Most countries were trying to insulate themselves from foreign competition by establishing tariffs, quotas, preferences, and restrictive commodity agreements and by developing a bilateral balancing of trade on a barter or clearing Many thoughtful people perceived that economic nationalism of this type was injurious to all and beneficial to none, but there was the problem of getting a start in removing barriers and of having some confidence that others would reciprocate. The United States took the lead during the 1930's in reducing tariffs and other trade barriers under the authority of the Reciprocal Trade Agreements Act. Other countries made comparable efforts to reduce their very considerable barriers to trade, but the movement was interrupted by World War II. After the war Canada and the United States were among the leaders in promoting the establishment of the kind of trading system in which governments are bound by rules of fair play and reciprocate in multilateral and nondiscriminatory exchanges of tariff and other trade concessions, under the aegis of the General Agreement on Tariffs and Trade.

This is not to say that free trade has ensued. Hardly any country advocates or practices free trade. Every country protects domestic economic activities in some measure, and it is hard to modify a tariff structure, as we in the United States and Canada have discovered. For example, there is a belief common in Canada which is that Canada has a low tariff and the United States a high one. I assure you that there are many people in the United States who have exactly the opposite belief. As a matter of fact, judgments about the relative heights of national tariffs are often technically worthless and usually generate more heat than light. The important thing is that tariffs should be reduced, and in this both Canada and the United States have made progress. Yet much more progress must be made if the economy of the free world is to function productively and if the newer and aspiring nations are to have an opportunity to earn a living by selling their goods in the world markets.

Not only must trade barriers and restrictions be reduced or kept at a low level, but also there must be attention to stability in world markets for primary commodities. We in Canada and the United States have generally been considered as opponents of commodity stabilization, but this has not prevented us from joining agreements on wheat and sugar. It is probable that there are very few commodity situations susceptible to the commodity-agreement approach, but it seems only fair to examine pragmatically what can and should be done to lessen violent fluctuations in the markets for primary commodities, so that the newer and developing countries can have a better idea of the future of their export earnings.

In North America we like to assure ourselves that we believe in private enterprise and in the operation of a free competitive economy. This is true domestically in our countries and, in some measure, it is true internationally, but it goes without saying that there is not a free competitive international economy. Every government acts to protect the interests of its citizens as it sees them, and most governments are responsive to the expressed wishes of their citizens. Many citizens who are producers of commodities or services are anxious to prevail upon their government to do something to help them improve their terms of trade. Governments cannot do this very effectively for one group of citizens against another group in the same country, but they can do it against people in other countries. Thus we have American producers of lead and zinc asking for protection against imports from Canada, Mexico, and Peru, and you have producers of fruits and vegetables or of manufactured goods in Ontario asking for protection against imported goods from the United States.

I am afraid that many Canadians have come to believe that the United States has imposed trade restrictions contrary to its international trade-agreement commitments. I want to make it clear that this is not the case. Such restrictions as we have had to apply have been applied consistently with the obligations and procedures provided for in the General Agreement on Tariffs and Trade. And under these procedures we have consulted the Canadian Government at all points where Canada's trade interests have been affected.

My reason for mentioning these points is to emphasize the fact that all of us in the free world—whether it is Canada, the United States, the United Kingdom, France, Germany, or Japan—are sometimes compelled to protect our domestic producers against severe competition from abroad.

But moderation should be the rule when our domestic actions affect the vital interests of other countries. We must remember to talk things over, to have regard for the other fellow, and to emphasize the elements of cooperation rather than the elements of division.

Soviet Threat to the Free-World Economy

Economic cooperation among the countries of the free world is particularly essential now, when we are faced with the fact of a massive economic offensive directed against us by the Soviet Union.

The Soviet economy and the economies of countries bound to it or associated with it are directed from the center and are subject to an elaborate structure of administrative control which enables Moscow to manipulate a rich and diversified economy to serve its political purposes. The rulers of the Kremlin do not need to present budgets to Parliament or Congress; they do not need to run for elections; they do not need to explain to people at home what they do abroad; they do not need to give their people the economic fruits of their efforts; they can, therefore, simply organize and direct the human and material resources of a vast empire to achieve their objectives.

What are these objectives? They can be easily ascertained by reading what has been written by Lenin or Stalin or Khrushchev or any number of other Soviet writers. Soviet leaders may occasionally differ on scholastic points and may now and then disagree about tactics. But they all adhere to the same dogma. That dogma is scientifically false, economically unsound, and completely amoral. The dogma calls for a program of action designed to achieve world domination for the rulers of the Kremlin. Let there be no mistake about this; these people are true to their creed, diligent in their efforts, and resourceful in their tactics. They have at their disposal vast material resources and a talented and sturdy The representatives of this group of peoples. group of rulers may on occasion be charming and friendly, may seem reasonable and anxious to please, and may say that they intend no harm. People are free to believe this if they wish, but they do so at their peril. A general acceptance of the idea that sweet reasonableness and moral principles like our own animate the rulers of the Kremlin can lead only to enslavement, from which there is no escape.

I have dwelt a little on the essential nature of the Soviet regime because I think we tend to forget, with that agreeable human faculty for selftranquilizing, the unpleasant facts of the past which are still truthful indicators of the continuing purposes of international communism. I am not saying we cannot coexist with the Soviet Union; I am saying that we can coexist only if we are determined to maintain our principles and to struggle for them.

Eternal vigilance is necessary, and this is difficult to maintain in democratic societies like ours in North America, where we tend to be too much preoccupied with our creature comforts and amusements. When there have been Soviet military threats, we have identified them easily. The Soviet threat to the free-world economy, however, is fully as dangerous. It is nothing less than a challenge to the whole economic system of the free world. It would cast the free-enterprise system onto the rubbish heap of history and install in its place the Communist system of control.

How is this challenge to be met? It cannot be met by economic warfare, by attempting to countervail specific Soviet measures with piecemeal actions of our own. It cannot be met merely by labeling the Soviet offensive as propagandistic and subversive, even though these adjectives aptly describe its nature and purpose. The Soviet economic offensive can only be met by action to strengthen the free-world economic system itself. This means more international trade. It means more assistance to the less developed countries. It means greater international efforts to provide financial stability to the world community. It means inducing a greater flow of private international investment so that the economic resources of the free world will be more fully used for the benefit of all mankind.

I am more than hopeful that these things will be done.

If the governments of the free world will now—over the next few years—adopt measures of a practical sort to enlarge world trade, to step up their assistance to the less developed areas, to increase the resources and influence of the existing international financial institutions, and, finally, to put to work the great forces of private capital, then we need have no fear of the Soviet economic offensive. For the forces of freedom will win this battle of the economic systems if we will only allow them to work.

U.S. Asks Soviets for Reciprocity in Press Release Distribution

Press release 452 dated August 7

DEPARTMENT ANNOUNCEMENT

On August 5 the Department of State delivered a note to the Soviet Embassy at Washington concerning the Embassy's distribution of press releases. The note points out that the Soviet Embassy recently began distributing press releases to the U.S. press, to individual Members of the Congress, U.S. Government officials, and members of the general public. These releases contain statements and appeals by Soviet leaders and organizations on a variety of subjects. They are distributed both directly and through the U.S. postal system.

The note inquires whether this action of the Soviet Embassy at Washington may be taken as an indication that the Soviet Government is prepared to insure full and effective reciprocal privileges for the U.S. Embassy at Moscow. In the note the Department reiterates the longstanding support of the U.S. Government for a freer exchange of information and ideas and a lowering of the barriers erected by the Soviet Government in this field.

TEXT OF NOTE

The Acting Secretary of State of the United States of America presents his compliments to His Excellency the Ambassador of the Union of Soviet Socialist Republics, and has the honor to refer to the recent action of the Embassy in commencing wide distribution to the press, to individual members of Congress, to other Government officials, and to the general public, of press releases containing statements and appeals by Soviet leaders and organizations on a variety of subjects.

As the Soviet Government is aware, the United States Government has traditionally favored a free exchange of information and ideas among the peoples of the world. Evidence of United States initiative in this regard is contained, insofar as the Soviet Union is concerned, in the proposals submitted by the Foreign Ministers of the United States, the United Kingdom, and France on October 31, 1955 at the Geneva Meeting of Foreign

Ministers¹ and in the United States position during negotiations leading to the Agreement of January 27, 1958² on Exchanges in the Cultural, Technical, and Educational Fields.

Points one and two of the 1955 Geneva proposals

1. Freer exchange of information and ideas should be facilitated. All censorship should be progressively eliminated. The obstacles which hamper the flow of full factual information and varied comment between the peoples of the West and those of the Soviet Union, should be removed.

2. Arrangements should be made for the four Powers to open information centers, on a basis of reciprocity, in each other's capitals where these do not already exist. Everyone should be allowed full use of these centers without hindrance or discouragement from their own government.

During negotiations leading to the January 27, 1958 Agreement, the United States delegation consistently sought to persuade the Soviet delegation that it is in the interests of both countries for the Soviet Government to remove the obstructions that prevent open and regular access by Soviet citizens to the American viewpoint on matters of interest to the two countries and on world events.

The Soviet Government has not seen fit to accept these proposals. It continues to jam Western radio programs and control the sale of foreign books and publications. The suppression or distortion of news, which is inseparable from such practices, can searcely be understood as other than a calculated effort to prevent American viewpoints from reaching the Soviet people. The Department notes this fact here not to incite controversy, but as evidence of the serious concern with which it regards these obstacles to the strengthening of friendly relations between the Soviet and American peoples.

The United States Government will give prompt recognition to any indication of willingness by the Soviet Government to take positive measures toward a relaxation of existing Soviet restrictions on the free flow of information and ideas. It is in this light that the Department wishes to inquire whether the action of the Soviet Embassy in Washington in distributing press releases, directly and through the United States postal system, may be taken as an indication that the Soviet Government

¹ For text, see Bulletin of Nov. 14, 1955, p. 778.

² Ibid., Feb. 17, 1958, p. 243.

is prepared to insure full and effective reciprocal privileges for the United States Embassy at Moscow.

Turkey To Receive Financial Aid From Three Sources

Following is the text of a joint statement agreed upon between the United States and Turkey at Paris on July 31 (press release 442 dated August 3) upon conclusion of discussions between representatives of the two Governments, which were held at Paris July 28–31, together with announcements released on August 3 by the Organization for European Economic Cooperation and the International Monetary Fund.

U.S.-TURKEY JOINT STATEMENT

Representatives of the Governments of the United States and Turkey, meeting in Paris, to-day completed discussions relating to financial assistance to Turkey.

The Government of the United States was represented by Ambassador W. Randolph Burgess, U.S. Representative to the Organization for European Economic Cooperation, and Assistant Secretary of the Treasury Laurence B. Robbins. The Government of Turkey was represented by the Minister of Foreign Affairs F. R. Zorlu and the Minister of Finance H. Polatkan.

During these discussions the Turkish Government informed the Government of the United States that Turkey had advised the International Monetary Fund and the Organization for European Economic Cooperation of the decision of the Turkish Government to adopt a comprehensive financial program designed to eliminate inflation and restore financial stability.

As a consequence of the financial program undertaken by Turkey, Governments members of the OEEC and the European Payments Union, acting under the aegis of the OEEC, intend to extend to Turkey credits equivalent to \$100,000,000. The International Monetary Fund has agreed to make available to Turkey the equivalent of \$25,000,000, and the United States has agreed to extend to Turkey certain financial facilities amounting to \$234,000,000.

The total of \$359,000,000 in financial facilities to be provided Turkey from these three sources is designed to take account of the Turkish balance-of-payments situation, particularly during the next twelve months, and to enable the Turkish Government to carry into effect the financial program which it has decided upon.

Also, the Governments concerned have agreed to confer at an early date, under the aegis of the OEEC, with a view to rearranging Turkey's short-term debt so that repayment of this debt will be spread over a period in the light of Turkey's ability to pay.

The financial facilities to be provided Turkey by the United States would consist of the following:

1. Special grant assistance to Turkey in meeting immediate balance-of-payments needs ¹

2. Development assistance to be extended by lending institutions of the United States Government for loans on agreed projects in such fields as solid fuels, power, minerals, manufacturing industries and transportation ¹

3. Defense support assistance during fiscal year $1959\,^{\circ}$

4. Postponement of 20 semi-annual installments as to principal and interest, on 3 ECA-MSA loans to Turkey of 1948, 1949 and 1952

5. Sale to Turkey, for payment in liras, of agricultural products to be agreed upon (subject to the extension by Congress of the Agricultural Trade Development and Assistance Act), estimated at an export value of not less than

75, 000, 000

\$ 25,000,000

75, 000, 000

44,000,000

15, 000, 000

\$234, 000, 000

OEEC ANNOUNCEMENT

The Organization for European Economic Cooperation announced on August 4 that the Council of the OEEC, after examination of a stabilization program submitted to the Organization by the Turkish Government, has approved arrangements whereby about \$100 million of credit will become available to Turkey.

Twenty-five million of this credit will be made available to Turkey through the European Payments Union by the Council's decision to provide Turkey with a *rallonge* extending Turkey's settlement facilities in the Union on 75 percent gold, 25

percent credit basis by 100 million units of account (the EPU unit of account is equivalent to one U.S. dollar).

The remaining \$75 million will be made available to Turkey outside the EPU during the coming months by the member countries of the Organization. The International Monetary Fund has, at the same time, approved a drawing by Turkey on the fund of \$25 million, and further financial facilities amounting to \$234 million are being extended to Turkey by the Government of the United States.

Thus the total assistance made available to Turkey through the OEEC, the IMF, and the U.S. Government amounts to \$359 million.

This decision, which demonstrates once again the close cooperation which exists between the countries of Western Europe through the OEEC and their readiness to help each other under the aegis of the Organization, was taken after a careful examination of the economic situation in Turkey and the program put forward by the Turkish Government to redress this situation.

The Turkish Government has declared its intention to put this program into operation without delay, to pursue it with determination, and, by all available means, to insure its complete success. Moreover, it is prepared, when required and in consultation with the Organization, to strengthen and supplement the measures for which the program provides.

With regard to debts due or falling due within the next few years, it has been agreed that a conference shall be convened at an early date, under the aegis of OEEC, to agree upon the arrangements for the spreading of the repayment over a certain period.

At the request of the Turkish Government, immediate consultations will take place regarding a standstill of payments under the bilateral.

IMF ANNOUNCEMENT

The International Monetary Fund announced on August 3 that the Government of Turkey has adopted a broad stabilization program designed to arrest inflationary pressures, to strengthen its balance-of-payments position, and to prepare the ground for future balanced development of its resources. The Government has consulted the International Monetary Fund on changes in the

¹It is understood that that part of the assistance described in these headings that is to be provided under the Mutual Security Act would be subject to Congressional appropriations for Mutual Security for use beginning in fiscal year 1959 [footnote in original].

Turkish exchange system, which will become effective August 4 as part of the stabilization program. The new exchange system establishes, as a result of a surcharge and premia applied to the par value of LT 2.80, a single effective import (selling) rate of LT 9.00 per US\$1, and three effective export (buying) rates: LT 4.90 for a first list of commodities; LT 5.60 for a second list of commodities; and LT 9.00 for all other commodities, invisibles, and capital transfers. Simultaneously all other multiple-currency practices are being eliminated.

The changes in Turkey's exchange system are aimed at removing the preexisting disparity between internal and external prices. This will help the authorities to restore a stable price structure internally and facilitate the reduction of export subsidies. The Government's program includes measures designed to balance the budget, to eliminate deficits of the state economic enterprises, and to restrict credit expansion. The Government is adjusting its investment policy to give priority to

projects that will most effectively stimulate exports or reduce imports.

To assist the Turkish Government in its program, financial facilities have been provided as follows: credits equivalent to \$100 million to be extended by Governments members of the OEEC and the European Payments Union; and \$234 million by the U.S. Government. In addition, the fund has agreed to a purchase of foreign exchange from its resources amounting to the equivalent of \$25 million, half in U.S. dollars and half in deutschemarks. There will be a standstill of 6 months in connection with a substantial part of Turkey's external debts, and in this period negotiations will take place on new schedules of payment.

The fund welcomes the comprehensive nature of the Turkish stabilization program, the success of which will depend on its determined implementation by the Turkish authorities. The fund will remain in consultation with Turkey.

THE CONGRESS

Views of the Department of State on Creating a Permanent United Nations Emergency Force

Statement by Francis O. Wilcox Assistant Secretary for International Organization Affairs¹

Introduction

The Department of State welcomes this opportunity to present its views on a resolution in which so many Members of the Congress have shown an interest. Recent events, it would seem, tend to emphasize all the more the need for some kind of permanent arrangements for a United Nations force. The Department is convinced, therefore, that full discussion of the matter is both timely and important.

Background of Problem

I should like to stress at the outset that the United States Government has for many years advocated a policy consistent with the general

line of reasoning outlined in House Resolution No. 367. The United States has repeatedly sought to strengthen the capacity of the United Nations to carry out its important responsibilities under the charter. As long ago as 1947, we urged that the Security Council should exert every effort to complete the task imposed by article 43 of the U.N. Charter, which contemplated making armed forces, assistance, and facilities available to the Security Council on its call. The U.N.

¹ Made on July 25 before the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs during hearings on H. Res. 367, "recommending the creation of a permanent United Nations Emergency Force."

Military Staff Committee was charged with working out implementing details, but the work of that group foundered on basic divergence of views between the Soviet Union and the other members of the committee. Among other things, there were wide differences with respect to the size and composition of such a force, its location, and the nature of the command structure. In the intervening years, because of Soviet opposition, it has been impossible to accomplish any progress through the Military Staff Committee.

In spite of this failure, the United States Government has supported all other efforts to establish United Nations forces whenever the need arose. I hardly need recall that it was the United States which took the lead as the United Nations Command in repelling aggression in Korea. In this instance we stood solidly behind the U.N. military effort. From this experience we learned two important lessons: (1) that a U.N. force, to be most effective, must be such that it can be quickly mobilized; and (2) there must be an acceptable basis of sharing expenses among the members of the U.N. Moreover, the United States sponsored the "Uniting for Peace" resolution in 1950,2 which was designed to make possible effective General Assembly action when the Security Council is unable to act because of the paralyzing effect of the veto.

The United States also has given, and continues to give, full support to the United Nations Emergency Force in the Middle East. At the time this force was created, Secretary Dulles told the General Assembly that both he and President Eisenhower shared the view that the Secretary-General should be authorized to make arrangements for a U.N. force large enough to keep the borders at peace while a political settlement was being worked out. As House Resolution 367 indicates, this force did make an important contribution to international peace and stability in the Middle East. The UNEF experience has shown clearly how, under certain circumstances, such a force can serve an extremely useful purpose. For many months the frontiers between Egypt and Israel have been free from the kind of hostile incursions which formerly troubled the area.

The Department of State shares the view of this committee that a similar force, established on a permanent basis, could be an important instrument for observing and reporting, and for assisting in the maintenance of international peace and security. You will have noted, in connection with the current Middle East crisis, that our Government supported the establishment of the United Nations Observer Group in Lebanon.³ We also presented a resolution to the Security Council on July 17,⁴ requesting that the Secretary-General consult member states with a view to making arrangements for additional measures, including contingents, to protect Lebanese integrity and independence and insure against illegal infiltration of personnel or arms into Lebanon. Unfortunately this resolution was vetoed by the Soviet Union.

Primary Issues

I recall these examples, which I know are familiar to all of you, in order to emphasize the positive attitude of the United States Government toward the creation of United Nations forces in order to meet a variety of difficult situations. The State Department is also favorably inclined toward making more permanent arrangements for some type of U.N. force. However, in examining this question, there are a number of very fundamental problems which must be considered carefully. The problems involved include the following:

- (1) What would be the objectives of a U.N. force? Should it be a military establishment able to repel armed attack; should it be a force, such as UNEF, designed to serve as a buffer between two hostile camps; or should it be merely a group of observers, such as the U.N. Observer Group has been in Lebauon? Or what other function, consistent with the charter, could such a force usefully perform?
- (2) The next major question relates to the size of the group which may be necessary to accomplish whatever may be agreed upon as its fundamental objectives. Recommendations on this point range from small teams of observers or police units up to permanent contingents of from ten to twenty thousand armed men.
- (3) Where would these forces be stationed? Should they be located at one central point, or

² Bulletin of Nov. 20, 1950, p. 823.

³ Ibid., July 14, 1958, p. 88.

 $^{^4}$ For background and text of resolution, see ibid., Aug. 4, 1958, p. 186.

should contingents in each country be earmarked and readily available for dispatch as necessary?

- (4) The next question—and this a very important one—relates to the control of the force and the authority to use it. Presumably it would be subject to the control of the Security Council and the General Assembly. We must keep in mind, however, that the decisions of the Security Council are subject to the veto, and the recommendations of the General Assembly, in this respect, require a two-thirds majority. Control by the Secretary-General, of course, is another possibility if some formula could be worked out which would be acceptable to the Security Council or the Assembly.
- (5) Obviously, the problems connected with the financing of a permanent U.N. force are extremely difficult, particularly if one takes into account the lessons taught by the U.N. undertaking most closely resembling the concept of a permanent U.N. force, i. e., the United Nations Emergency Force (UNEF). The UNEF operations, so far, have been one of the most eminently successful undertakings of the United Nations and have demonstrated clearly the U.N.'s capacity for effective action in certain types of situations.

Yet, in terms of budgetary considerations (the total regular budget of the U.N. is about \$50 million), the establishment and continuation of UNEF has presented problems of a financial nature that have not as yet been solved in any lasting fashion. Estimated UNEF expenses during its first 2 years were placed at \$30 million annually, which is an amount equal to more than half of the regular U.N. budget. Inspired by the high purposes of the UNEF undertaking and encouraged by special contributions from the United States amounting to \$13 million, the General Assembly has assessed itself a total of \$40 million for UNEF. However, without the additional support from the United States which I referred to. it is doubtful whether the U.N. would have been able to bear the heavy financial burden of the total cost of UNEF. Our voluntary and assessed contributions account for almost 50 percent of UNEF's expenses for the 2-year period.

Moreover, the figures I have just cited do not cover the base pay and normal equipment of the national contingents in UNEF. These considerable expenses are borne directly by the individual governments contributing the contingents. They

are thus not a charge, either directly or indirectly, upon either the U.N. or the U.S.

These financial facts pose inescapable problems which are associated with the establishment and maintenance of a permanent U.N. force. conclusions to be drawn from them would depend greatly on the contribution which we believe such a force would make to the national interests of the They would also depend on the United States. value we place on imparting initiative, leadership, and assistance to the community of nations in the struggle to maintain world peace. One conclusion, however, is unavoidable in light of past experience and present circumstances, namely, that a permanent U.N. force probably would not come into being if the United States contribution to it were limited to the percentage we pay under the regular U.N. budget. Whether our participation should be based on a strictly capacity-to-pay formula or on some other formula is difficult to say, but it is evident that some new approach to the problem must be made if such a force is to be created.

Next Steps

For the past few months the Secretary-General of the United Nations has been engaged in a study, based upon the experience of UNEF, of the possibility of creating a permanent U.N. force. He is still in the midst of that study and is presently carrying out informal discussions with member states. A report on the experiences of UNEF is expected at the coming General Assembly meeting in the fall. Consequently, it would not seem desirable for our Government to take any definitive position with respect to this problem until we have had an opportunity to examine the recommendations of the Secretary-General.

Nevertheless, several observations of a general nature would seem to be in order. The executive branch believes that some form of permanent arrangements can and should be made which would expedite raising and dispatching of U.N. forces when the need arises. Since no two situations which may develop are likely to be identical, a maximum of flexibility must be maintained.

In the second place, in the light of our experience it would be extremely difficult—if not impossible—to establish a U.N. force of the type and magnitude of the force used in Korea. Approval of such a force is unlikely because of the extreme

reluctance of member states to commit in advance their manpower and their financial resources to an undertaking of this nature. More recent experience in the Middle East, however, suggests the desirability of creating some form of U.N. corps for observation, patrol, and related functions. In this connection it might be desirable to establish a U.N. planning staff to develop the necessary plans for calling into being, deploying, and supporting such a force, as well as developing concepts for operation and training within the scope of the limited activities which I have referred to. Such a planning staff would also address itself to the logistics problems involved. The recent difficulties experienced in getting the United Nations Observer Group in Lebanon properly organized, because there was no staff within the U.N. Secretariat which had made the necessary advance plans for such a contingency, points up the need for just this type of planning.

Conclusions

In conclusion I should like to say that the general lines of House Resolution 367 are consistent with the views of the Department of State. However, the committee may wish to consider the possibility of revising the resolution so as to permit additional flexibility. In particular I refer to paragraph (d), which states that "Expenses of maintenance of the force should be provided by the United Nations out of its regular budget." In view of the difficult financial problems which would be involved in establishing any permanent U.N. force, as I discussed earlier, I believe it would be useful if the committee would delete or modify this paragraph.

Mr. Chairman, the executive branch welcomes the initiative which your subcommittee has taken in studying this important problem. We believe that the expression of congressional sentiment, which passage of such a resolution would represent, will serve as a helpful guide to the Department of State in our consideration of this matter.

May I make one final comment, Mr. Chairman? In this nuclear age, when we are all faced with annihilation, man must continue relentlessly his eternal quest for peace. In this quest I believe that our best hope still lies in the concept of collective security and in taking what steps we can to strengthen the peace machinery of the United Nations.

National Aeronautics and Space Act Signed by the President

 $Statement\ by\ President\ Eisenhower$

White House press release dated July 29

I have today signed H. R. 12575, the National Aeronautics and Space Act of 1958.

The enactment of this legislation is an historic step, further equipping the United States for leadership in the space age. I wish to commend the Congress for the promptness with which it has created the organization and provided the anthority needed for an effective national effort in the fields of aeronautics and space exploration.

The new Act contains one provision that requires comment. Section 205 authorizes cooperation with other nations and groups of nations in work done pursuant to the Act and in the peaceful application of the results of such work, pursuant to international agreements entered into by the President with the advice and consent of the Senate. I regard this section merely as recognizing that international treaties may be made in this field, and as not precluding, in appropriate cases, less formal arrangements for cooperation. To construe the section otherwise would raise substantial constitutional questions.

The present National Advisory Committee for Aeronautics (NACA), with its large and competent staff and well-equipped laboratories, will provide the nucleus for the NASA. The NACA has an established record of research performance and of cooperation with the Armed Services. The combination of space exploration responsibilities with the NACA's traditional aeronautical research functions is a natural evolution.

The enactment of the law establishing the NACA in 1915 proved a decisive step in the advancement of our civil and military aviation. The Aeronautics and Space Act of 1958 should have an even greater impact on our future.

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Review of Foreign Policy, 1958. Hearings before the Senate Committee on Foreign Relations on foreign policy (United States policies respecting Europe and United States Policies on a Global Basis). Part 4, June 3-6, 1958. 93 pp. Passports. Message from the President of the United States transmitting certain recommendations relating to passports. II. Doc. 417, July 7, 1958. 2 pp.

Report of the Special Study Mission to the Near East and North Africa by Frances P. Bolton, ranking minority member of the Subcommittee on the Near East and Africa of the House Committee on Foreign Affairs, pursuant to II. Res. 29. II. Rept. 2214, July 7, 1958. 14 pp.

Proposed Euratom Agreements (with associated documents and materials). Joint Committee on Atomic Energy. July 1958. 52 pp. [Joint Committee print.] Czechoslovakian Claims Fund. Hearing before the Sub-

Czechoslovakian Claims Fund. Hearing before the Subcommittee on Foreign Economic Policy of the House Committee on Foreign Affairs on H. R. 11840, S. 3557, and S. 979 to amend the International Claims Settlement Act of 1949, as amended (64 Stat. 12). July 9, 1958. 59 pp.

Twentieth Semiannual Report on Educational Exchange Activities. Letter from the Chairman, United States Advisory Commission on Educational Exchange transmitting the 20th semiannual report on the educational exchange activities conducted under the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.) from January 1 through June 30, 1958. H. Doc. 419, July 9, 1958. 6 pp.

Recording the Admission of Certain Hungarian Refugees. Report to accompany H. R. 11033. S. Rept. 1817, July 10, 1958. 10 pp.

Transfer of Federal Employees to International Organizations. Report to accompany S. 4004. S. Rept. 1836, July 14, 1958. 4 pp.

Lebanon Situation. Message from the President of the United States relative to the Lebanon situation. H. Doc. 422, July 15, 1958. 3 pp.

National Aeronautics and Space Act of 1958. Conference report to accompany H. R. 12575. H. Rept. 2166, July 15, 1958. 25 pp.

Trade Agreements Extension Act of 1958. Report, together with individual and minority views, to accompany II. R. 12591. S. Rept. 1838, July 15, 1958. 47 pp.

Study of United States Relations With the American Republics. Report to accompany S. Res. 330. S. Rept. 1841, July 16, 1958. 2 pp.

Authorizing Appropriations for the Corregidor-Bataan Memorial Commission, Report to accompany H. R. 13265, H. Rept. 2213, July 17, 1958. 6 pp.

Continuing Study of Disarmament. Report to accompany S. Res. 335. S. Rept. 1843, July 17, 1958. 1 p.

United States Foreign Policy. Report to accompany S. Res. 336. S. Rept. 1844, July 17, 1958. 7 pp.

The Czechoslovakian Claims Fund. Report to accompany S. 3557. H. Rept. 2227, July 18, 1958. 18 pp.

Authorizing Appropriations for Continuing the Construction of the Rama Road in Nicaragua. Report to accompany S. 3712. S. Rept. 1880, July 22, 1958. 5 pp.

Authorizing the Appropriation of Funds to Finance the 1961 Meeting of the Permanent International Association of Navigation Congresses. Report to accompany 11. R. 11305. S. Rept. 1879, July 22, 1958. 5 pp.

United Nations Emergency Force. Report to accompany S. Con. Res. 109. S. Rept. 1884, July 22, 1958. 2 pp.

Revision of Canal Zone Code. Report to accompany 11, R. 11549. S. Rept. 1897, July 23, 1958. 6 pp.

Creating a Standing Committee on Aeronautical and Space Sciences. Report to accompany S. Res. 327. S. Rept. 1925, July 23, 1958. 3 pp.

Extending the Period for Filing Claims Under the War Claims Act of 1948. Report to accompany S. 163. S. Rept. 1889, July 23, 1958. 5 pp.

Amending Section 245 of the Immigration and Nationality Act, and for Other Purposes. Report to accompany H.R. 13451. H. Rept. 2258, July 23, 1958. 6 pp.

Continuing a Study of the Problems of World Disarmament. Report to accompany S. Res. 335. S. Rept. 1940, July 24, 1958. 3 pp.

Coordination of Cultural Exchange and Training Programs. Report to accompany S. 3112. S. Rept. 1932, July 24, 1958. 3 pp.

Study of United States Relations With the American Republics. Report to accompany S. Res. 330. S. Rept. 1939, July 24, 1958. 2 pp.

Authorizing a Study of United States Foreign Policy. Report to accompany S. Res. 336. S. Rept. 1941, July 24, 1958. 2 pp.

Proposed Agreement for Cooperation Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for the Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes. Report made by the Joint Committee on Atomic Energy. S. Rept. 2041, July 29, 1958, 24 pp.; H. Rept. 2299, July 29, 1958, 24 pp.

Quality Regulation of Imported Agricultural Commodities. Report to accompany H.R. 11056. II. Rept. 2309, July 30, 1958. 5 pp.

Purchase of Flour and Cornmeal for Donation. Report to accompany H.R. 13268. II. Rept. 2317, July 30, 1958. 7 pp.

Providing for Licensing Independent Foreign Freight Forwarders, and for Other Purposes. Report to accompany H.R. 8382. H. Rept. 2333, July 31, 1958. 31 pp.

Antidumping Act, 1921. Conference report to accompany II.R. 6006. II. Rept. 2352, August 1, 1958. 3 pp.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

International Bank Issues Year-End Financial Statement

The International Bank for Reconstruction and Development on August 5 reported net income of \$42 million for the fiscal year ended June 30, 1958, compared with \$36 million for the preceding fiscal year.

This income was placed in the supplemental reserve against losses on loans and guaranties and raised the reserve to \$236 million. Loan commissions amounted to \$20 million and were credited to the bank's special reserve, increasing that reserve to \$114 million.

Total reserves on June 30, 1958, were \$350 million.

Gross income, exclusive of loan commissions, was \$99 million, compared with \$74 million in the preceding year. Expenses, which included

\$48 million for interest on bank borrowings and other financial expenses, totaled \$57 million, compared with \$38 million last year.

During the year the bank made 34 loans totaling the equivalent of \$711 million, compared with a total of \$388 million last year. This brought the gross total of loan commitments at June 30 to \$3,819 million. This year's loans were made in Austria, the Belgian Congo, Belgium, Brazil, Chile, Ecnador, Honduras, India, Italy, Japan, Mexico, Nigeria, Pakistan, Peru, Philippines, Rhodesia and Nyasaland, South Africa, and Thailand.

Disbursements were \$499 million, compared with \$332 million in the preceding year. Cumulative disbursements amounted to \$2,795 million on June 30, 1958.

During the year the bank sold or agreed to sell \$87 million principal amount of loans without its guaranty. On June 30 the total sales of loans amounted to \$420 million, of which \$351 million was without the bank's guaranty.

Principal repayments received by the bank during the year amounted to \$28 million. This brought total repayments to \$392 million on June 30, including \$219 million repaid to the bank and \$173 million repaid to the purchasers of borrowers' obligations sold by the bank.

On June 30, 1958, the funded debt of the bank was \$1.658 million, showing a net increase of \$625 million during the year. The bank's borrowing operations during the fiscal year consisted of three public issues of U.S. dollar bonds totaling \$375 million, three U.S. dollar issues totaling \$250 million placed privately with the Deutsche Bundesbank, and two other privately placed U.S. dollar issues totaling \$25 million. Delayed delivery was arranged for \$44 million of bonds sold during the year; \$19 million were delivered by June 30. Pursuant to arrangements for delayed delivery of bonds of previous issues, the bank issued a further \$23 million of its obligations during the year. The bank retired at maturity and through purchase and sinking fund operations a total of \$23 million.

Ghana, Ireland, Malaya, Morocco, Saudi Arabia, Sudan, and Tunisia became members of the bank during the year, bringing the number of members to 67 and total subscribed capital to \$9,405 million on June 30, 1958.

Mr. Cooper Named U.S. Delegate to ECE Electric Power Committee

The Department of State announced on August 5 (press release 447) the designation of Howard W. Cooper, vice president and assistant to the chairman of the Minnesota Power and Light Company of Duluth, Minn., as the U.S. delegate to a series of meetings being held at Geneva under the auspices of the United Nations Economic Commission for Europe's Electric Power Committee, October 6–10, 1958.

These meetings will bring together experts in the electrical power field to consider and discuss matters pertaining to rural electrification, legal questions, and hydropower problems of Europe. The meeting on rural electrification will be preceded by a 10-day visit to Italian electric-power installations at the invitation of the Italian Government.

Current U.N. Documents: A Selected Bibliography ¹

Security Council

Letter Dated 11 June 1958 From the Representative of India Addressed to the President of the Security Council. S/4024, June 11, 1958. 8 pp. mimeo.

Letter Dated 13 June 1958 From the Representative of Greece Addressed to the President of the Security Council. 8/4025, June 13, 1958. 6 pp. mimeo.

Letter Dated 13 June 1958 From the Representative of Turkey Addressed to the Secretary-General. S/4026, June 13, 1958. 4 pp. mimeo.

Report by the Secretary-General on the Implementation to date of the Resolution of the Security Council of 11 June 1958, on the Complaint by Lebanon. 8 4029, June 16, 1958. 7 pp. mimeo.

Letter Dated 16 June 1958 From the Representative of Turkey Addressed to the President of the Security Council. 8/4028. June 16, 1958. 12 pp. mimeo.

Note by the Secretary-General Circulating UNTSO report on firing incident of 26 May 1958 on Mount Scopus, 8/4039, June 17, 1958. 48 pp. mimeo.

Letter Dated 19 June 1958 From the Representative of Pakistan Addressed to the President of the Security Council. 8/4032, June 19, 1958. 20 pp. mimeo.

Letter Dated 19 June 1958 From the Representative of Greece Addressed to the President of the Security Council, 8/4033, June 19, 1958, 5 pp. mimeo. Letter Dated 24 June 1958 From the Representative of

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

- Turkey Addressed to the President of the Security Councit. S/4035, June 24, 1958. 2 pp. mimeo.
- Letter Dated 25 June 1958 From the Representative of Pakistan Addressed to the President of the Security Council. S/4036, June 25, 1958. 2 pp. mimeo.
- First Report of the U.N. Observation Group in Lebanon Submitted through the Secretary-General in pursuance of the resolution of the Security Council of 11 June 1958 (S/4023). S/4040. July 3, 1958. 16 pp. mimeo.
- Letter Dated 6 July 1958 From the Representative of India Addressed to the President of the Security Council. 8/4042. July 7, 1958. 8 pp. mimeo.
- Letter Dated 8 July 1958 From the Permanent Representative of Lebanon Addressed to the Secretary-General. S/4043. July 8, 1958. 13 pp. mimeo.
- Letter Dated 14 July 1958 From the Representative of India Addressed to the President of the Security Council. S/4046. July 14, 1958. 2 pp. mimeo.
- Letter Dated 15 July 1958 From the Acting Permanent Representative of Pakistan to the United Nations Addressed to the President of the Security Council. S/4048. July 15, 1958. 2 pp. mimeo.
- Interim Report of the U.N. Observation Group in Lebanon Submitted through the Secretary-General in pursuance of the resolution of the Security Council of 11 June 1958 (S/4023). S/4051. July 16, 1958. 2 pp. mimeo.
- Second Interim Report of the U.N. Observation Group in Lebanon Submitted through the Secretary-General in pursuance of the resolution of the Security Council of 11 June 1958 (S/4023). S/4052. July 17, 1958. 6 pp. mimeo.
- Letter Dated 18 July 1958 From the Permanent Representative of Yemen to the President of the Security Council. S/4058. July 21, 1958. 5 pp. mimeo.
- Report by the Secretary-General to the President of the Security Council Concerning the Credentials of the Representative of Iraq on the Security Council. S/4060. July 21, 1958. 3 pp. mimeo.

General Assembly

- UNREF Executive Committee. Further report on the Problem of Hungarian Refugees. A/AC.79/107. 40 pp. mimeo.
- UNREF Executive Committee. Survey of the Non-Settled Refugee Population in Various Countries. Statistical Annex. A/AC.79/III/Annex. April 21, 1958. 127 pp. mimeo.
- UNREF Executive Committee. Report on a Survey of Difficult Cases Living in Camps in Germany. A/AC.79/113. April 22, 1958. 108 pp. mimeo.
- UNREF Executive Committee. Note on Survey of Non-Settled Refugee Population in Various Countries. A/AC.79/111/Add.1. April 23, 1958. 8 pp. mimeo.
- International Law Commission. Diplomatic Intercourse and Immunities. Summary of observations received from Governments and conclusions of the Special Rapporteur. A/CN.4/116. May 2, 1958. 92 pp. mimeo.
- UNREF Executive Committee. Report on the Far East ern Operation. A/AC.79/110. May 19, 1958. 6 pp. mimeo.
- UNREF Executive Committee. Progress Report as of 31 March 1958. A/AC.79/108. May 21, 1958. 121 pp. mimeo.
- UNREF Executive Committee. Note on Problem of International Assistance to Non-Settled Refugees After Termination of the UNREF Programme. A/AC.79/115. May 21, 1958. 12 pp. mimeo.
- Administrative and Budgetary Co-ordination Between the United Nations and the Specialized Agencies. Programmes of Technical Assistance. A/3832, Jnne 16, 1958. 5 pp. mimco.

- Question of Initiating a Study of the Juridical Regime of Historic Waters, Including Historic Bays (Resolution of the United Nations Conference on the Law of the Sea). Note by the Secretary-General. A/3830, June 18, 1958. 4 pp. mimeo.
- Question of Convening a Second United Nations Conference on The Law of the Sea (Resolution of the United Nations Conference on the Law of the Sea). Note by the Secretary-General. A/3831, June 18, 1958. 6 pp. nimeo.
- United Nations Conciliation Commission for Palestine, Sixteenth Progress Report (For the period from 1 October 1956 to 31 May 1958). A/3835, June 18, 1958. 7 pp. mimeo.
- Communique Dated 21 June 1958 by the Special Committee on the Problem of Hungary. A/AC.88/2, June 21, 1958. 2 pp. mimeo.
- UNREF Executive Committee. Report on the Eighth Session. A/AC.79/124. June 17, 1958. 29 pp. mimeo. Special Report of the Special Committee on the Problem of Hungary. A/3849. July 14, 1958. 32 pp. mimeo.

Economic and Social Council

- Programme of Work and Priorities, 1958–59. E/CN.12/AC.40/8. March 31, 1958. 20 pp. mimeo.
- Proposed Transfer of Functions from the United Nations to the Inter-Governmental Maritime Consultative Organization (IMCO). Note by the Secretary-General. E/3132, June 10, 1958. 5 pp. mimeo.
- Observations on the Work Programme of the Council in the Economic, Social and Human Rights Fields. Report by the Secretary-General. E/3134, June 10, 1958. 40 pp. mimeo.

Trusteeship Council

- Revision of the Questionnaire Relating to Trust Territories. Fifth Progress Report of the Sub-Committee on the Questionnaire. T/1389, June 24. 1958. 13 pp. mimeo.
- Report on Somaliland Under Italian Administration of the United Nations Visiting Mission to Trust Territories in East Africa, 1957. Observations of the Administering Authority. T/1396. July 10, 1958. 15 pp. mimeo.
- Examination of the Annual Report on the Trust Territory of Somaliland Under Italian Administration, 1957. T/1398. July 10, 1958. 6 pp. mimeo.

TREATY INFORMATION

Current Actions

MULTILATERAL

Atomic Energy

Statute of the International Atomic Energy Agency. Done at New York October 26, 1956. Entered into force July 29, 1957. TIAS 3873. Ratification deposited: The Sudan, July 17, 1958.

Automotive Traffic

Convention concerning customs facilities for touring. Done at New York June 4, 1954. Entered into force September 11, 1957. TIAS 3879.

Accession deposited: Yugoslavia, July 10, 1958.
Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954.
Entered into force December 15, 1957. TIAS 3943.
Accession deposited: Yugoslavia, July 10, 1958.

BILATERAL

Colombia

Agreement amending the memorandum of understanding to the agricultural commodities agreement of March 14, 1958 (TIAS 4015). Effected by exchange of notes at Bogotá June 30 and July 9, 1958. Entered into force July 9, 1958.

United Kingdom

Agreement for cooperation on the uses of atomic energy for mutual defense purposes. Signed at Washington July 3, 1958.

Entered into force: August 4, 1958 (date on which each government received from the other written notification that it had complied with statutory and constitutional requirements).

DEPARTMENT AND FOREIGN SERVICE

Designations

Clarence A. Boonstra as Deputy Director, Office of South American Affairs, effective June 29.

Henry C. Reed as Deputy Director, Office of Inter-American Regional Political Affairs, effective June 29, 1958.

William I. Cargo as Director, Office of United Nations Political and Security Affairs, effective August 1, 1958.

Joseph J. Sisco as Deputy Director, Office of United Nations Political and Security Affairs, effective August 1, 1958.

PUBLICATIONS

Department Releases Publication on Disarmament Negotiations

The Department of State released on August 12 a publication entitled *Disarmament*, *The Intensified Effort*, 1955–1958. Following is the text of an introductory summary chapter.

In 1955 the United States intensified its efforts to achieve international agreement in the field of armaments control. The new series of initiatives included a reevaluation of policy in the light of changed political and military conditions brought about by the vast growth of technical and scientific knowledge in the rapidly unfolding nuclear age.

This narrative begins with a brief summary of U.S. disarmament efforts during the decade of deadlock from 1945-55. This is followed by an account of evolving U.S. disarmament policy during the past 3 years and of negotiations earried on within the United Nations Disarmament Commission and its Subcommittee.

The gradual development of U.S. policy from the President's "open skies" proposal at Geneva in 1955 to

Secretary Dulles Calls Attention to Publication on Disarmament

Statement by Secretary Dulles

Press release 464 dated August 12

I believe it to be in the public interest to call attention to a new publication of the Department of State entitled Disarmament, The Intensified Effort, 1955–1958. As a factual document, it serves to demonstrate the diligence with which this Government has sought to promote peace through disarmament negotiations. I need not add that we shall in the future pursue the objective of an equitable and dependable disarmament agreement with the same flexibility and sense of urgency.

the new approach presented at the 1957 London Disarmament Subcommittee meetings is traced in some detail. This new approach centered on proposals geared to the realities of the nuclear age: inspected cessation of production of fissionable materials for weapons purposes, gradual reduction of existing nuclear weapons stockpiles, and suspension and ultimate cessation of nuclear weapons tests; first stage reductions of conventional arms and armed forces; a study of means to assure the use of outer space exclusively for peaceful and scientific purposes; and creation of inspection systems to guard against surprise attack. These proposals would all be carried out under the supervision of a new international agency capable of verifying the agreements reached.

During the long and intensive negotiations in London during 1957, the United States diligently explored with its allies and with the U.S.S.R. the various proposats for a first stage agreement that were offered. During this 6-month period the negotiations produced some progress toward agreement on inspection zones, on nuclear testing, on control of armaments, and on levels of armed forces. Although the negotiations ended in September, after the U.S.S.R. rejected the Four Power proposals of August 29, full and continuing consultation among the allies throughout the negotiations had served to forge an important new foundation for future progress.

¹Department of State publication 6676, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.; price 30 cents.

Recent Releases

For sale by the Superinlendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Surplus Agricultural Commodities. TIAS 4023. 6 pp. 5¢.

Agreements between the United States of America and Cotombia, relating to agreement of March 14, 1958. Exchange of notes—Signed at Bogotá March 20 and April 23 and April 10 and 23, 1958. Entered into force April 23, 1958.

Claims-Electric Power. TIAS 4026. 5 pp. 5¢.

Agreement between the United States of America and the Republic of Korea, superseding Article VII of agreement of September 11, 1948—Signed at Seoul June 13, 1949. Entered into force December 28, 1949.

Surplus Agricultural Commodifies. TIAS 4027. 6 pp. 5¢.

Agreement, with memorandum of understanding, between the United States of America and Iceland-Signed at Reykjavik May 3, 1958. Entered into force May 3, 1958.

Mutual Defense Assistance—Cash Contribution by Japan. TIAS 4028. 6 pp. 5¢.

Arrangement between the United States of America and Japan, relating to agreement of March 8, 1954. Exchange of notes-Signed at Tokyo May 2, 1958. Entered into force May 2, 1958.

Cape Spartel Light—Transfer of Management 4o Morocco, Termination of Convention of May 31, 1865. TIAS 4029. 8 pp. 10¢.

Protocol between the United States of America and Other Governments—Signed at Tangier March 31, 1958. Entered into force March 31, 1958.

Atomic Energy-Cooperation for Civil Uses. TIAS 4030. 3 pp. 5¢.

Agreement between the United States of America and the Republic of Korea, amending agreement of February 3, 1956—Signed at Washington March 14, 1958. Entered into force May 22, 1958.

North American Air Defense Command. TIAS 4031. 5 pp. 5¢.

Agreement between the United States of America and Canada. Exchange of notes—Signed at Washington May 12, 1958. Entered into force May 12, 1958.

Surplus Agricultural Commodities. TIAS 4032. 3 pp. 5¢.

Agreement between the United States of America and Argentina, amending agreement of April 25, 1955. Exchange of notes-Signed at Buenos Aires April 11 and 22, 1958. Entered into force April 24, 1958.

Establishment of Mutual Defense Board and Assignment of Military Liaison Officers. TIAS 4033. 6 pp.

Agreement between the United States of America and the Republic of the Philippines. Exchange of notes-Signed at Manifa May 15, 1958. Entered into force May 15, 1958.

Atomic Energy—Cooperation for Civil Uses. TIAS 4035. 7 pp. 10¢.

Agreement between the United States of America and Sweden, amending agreement of January 18, 1956, as amended—Signed at Washington April 25, 1958. Entered into force June 2, 1958.

Air Force Mission—High-Altitude Sampling Unit. TIAS 4037. 5 pp. 5¢.

Agreement between the United States of America and Argentina. Exchange of notes—Signed at Bnenos Aires April 23 and 28, 1958. Entered into force April 28, 1958.

Check List of Department of State Press Releases: August 4-10

Press releases may be obtained from the News Division, Department of State, Washington 25, D.C.

Releases issued prior to August 4 which appear in this issue of the Bulletin are Nos. 437 of July 31 and 442 and 443 of August 3.

Subject Date No.

Entry into force of U.S.-U.K. atomic 444 8/4 energy agreement.

Detegation to inaugural ceremonies in *445 8/4 Colombia.

Delegation to inaugural ceremonies in *446 8/4 Paraguay.

Delegate to ECE Power Committee (re-4478/5write).

Dulles: remarks at Rio de Janeiro. 448 8/5

Dulles: address at Rio de Janeiro. 8/6 449

Educational exchange (South Africa). 8/6 *450 U.S.-Brazil joint communique on multi-4518/7 lateral subjects.

Distribution of press releases by Soviet 4528/7

Embassy. Dilton: "United States and World 4538/7Economy.'

U.S.-Brazil joint communique on bilat-4548/7erat subjects.

Duttes: return from Brazil. 8/7 455

Dultes: message on death of Libyan 8/8 *456 Ambassador.

UAR circulation of forged document. †457 8/8

*Not printed.

†Held for a later issue of the BULLETIN.

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| American Republics Dr. Eisenhower Reports to President on Central American Trip | 309 311 | International Organizations and Conferences International Bank Issues Year-End Financial Statement. Mr. Cooper Named U.S Delegate to ECE Electric Power Committee | 328 329 |
|--|----------------|---|---------------------------------|
| Atomic Energy. U.SU.K. Atomic Energy Agreement Enters Into Force | 310 | Aid From Three Sources (text of joint statement) | 322 |
| Brazil President Eisenhower's Letter to President Kubitschek Secretary Dulles Visits Brazil (texts of communiques | 303 301 | Presidential Documents National Aeronautics and Space Act Signed by the President | 327 303 |
| Canada. United States and World Economy (Dillon) | 318 | Department Releases Publication on Disarmament Negotiations | 333 332 |
| Congress, The Congressional Documents Relating to Foreign | 0.27 | Secretary Dulles Calls Attention to Publication on Disarmament | 333 |
| Policy | 327 327 | Science. National Aeronautics and Space Aet Signed by the President | 327 |
| Views of the Department of State on Creating a Permanent United Nations Emergency Force (Wilcox) | 324 | Treaty Information Current Actions | 330 |
| Department and Foreign Service. Designations (Boonstra, Cargo, Reed, Sisco) | 331 | Turkey. Turkey To Receive Financial Aid From Three Sources (text of joint statement) | 310 322 |
| Disarmament Department Releases Publication on Disarmament Negotiations | 331 | U.S.S.R. U.S. Asks Soviets for Reciprocity in Press Release Distribution (text of note) | 321 |
| Secretary Dulles Calls Attention to Publication on disarmament | 331 | United Kingdom. U.SU.K. Atomic Energy Agreement Enters Into Force | 310 |
| Economic Affairs International Bank Issues Year-End Financial Statement | 328 | United Nations U.N. Documents: A Selected Bibliography Views of the Department of State on Creating a Permanent United Nations Emergency Force | 329 |
| Mr. Cooper Named U.S. Delegate to ECE Electric Power Committee | 329 | (Wilcox) | 324 |
| Turkey To Receive Financial Aid From Three | 322 | Name Index | 991 |
| Sources (text of joint statement). United States and World Economy (Dillon). United States Balance of Payments With Latin America Puring 1957 and the First Quarter of | 318 | Boonstra, Clarence A Cargo, William I Cooper, Howard W Culbertson, Nancy F Dillon, Douglas | 331 331 329 311 318 |
| 1958 (Lederer, Culbertson) | 311 329 | Dulles, Secretary | 1, 331 309 |
| International Information. U.S. Asks Soviets for Reciprocity in Press Release Distribution (text of note) | 321 | Lederer, Walther | 311 331 331 324 |

August 25, 1958 333



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| Vol. XXXIX, No. 1001 | September 1, 1958 |
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| PROGRAM FOR THE NEAR EAST President Eisenhower | • |
| PRESIDENT ACKNOWLEDGES SOV. ACCEPTING G. A. SESSION ON I Statement by President Eisenhower and Khrushchev's Letter | NEAR EAST • Text of Premier |
| UNITED NATIONS ECONOMIC A COUNCIL • Statements by Christopher Walter M. Kotschnig | H. Phillips and |

For index see inside back cover

THE DEPARTMENT OF STATE

Bulletin

Vol. XXXIX, No. 1001 • Publication 6694 September 1, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Program for the Near East

Address by President Eisenhower 1

Mr. President, Mr. Secretary-General, members of the General Assembly, and guests:

First, may I express my gratitude for the generosity of your welcome.

It has been almost 5 years since I had the honor of addressing this Assembly. I then spoke of atomic power and urged that we should find the way by which the miraculous inventiveness of man should not be dedicated to his death but consecrated to his life.² Since then great strides have been taken in the use of atomic energy for peaceful purposes. Tragically little has been done to eliminate the use of atomic and nuclear power for weapons purposes.

That is a danger.

That danger in turn gives rise to another danger—the danger that nations under aggressive leadership will seek to exploit man's horror of war by confronting the nations, particularly small nations, with an apparent choice between supine surrender or war.

This tactic reappeared during the recent Near East crisis.

Some might call it "ballistic blackmail."

In most communities it is illegal to cry "fire" in a crowded assembly. Should it not be considered serious international misconduct to manufacture a general war scare in an effort to achieve local political aims?

Pressures such as these will never be successfully practiced against America, but they do create dangers which could affect each and every

one of us. That is why I have asked for the privilege of again addressing you.

The immediate reason is two small countries—Lebanon and Jordan.

The cause is one of universal concern.

The lawful and freely elected Government of Lebanon, feeling itself endangered by civil strife fomented from without, sent the United States a desperate call for instant help. We responded to that call.³

On the basis of that response an effort has been made to create a war hysteria. The impression is sought to be created that, if small nations are assisted in their desire to survive, that endangers the peace.

This is truly an "upside down" portrayal. If it is made an international crime to help a small nation maintain its independence, then indeed the possibilities of conquest are unlimited. We will have nullified the provision of our charter which recognizes the inherent right of collective self-defense. We will have let loose forces that could generate great disasters.

The United Nations has, of course, a primary responsibility to maintain not only international peace but also security. But we must not evade a second fact, namely, that in the circumstances of the world since 1945 the United Nations has sometimes been blocked in its attempt to fulfill that function.

Respect for the liberty and freedom of all nations has always been a guiding principle of the United States. This respect has been consistently demonstrated by our unswerving adherence to the

September 1, 1958 337

¹ Made before the third emergency special session of the General Assembly of the United Nations on Aug. 13 (White House press release).

² Bulletin of Dec. 21, 1953, p. 847.

³ For background, see ibid., Aug. 4, 1958, p. 181.

principles of the charter, particularly in its opposition to aggression, direct or indirect. Sometimes we have made that demonstration in terms of collective measures called for by the United Nations. Sometimes we have done so pursuant to what the charter calls "the inherent right of collective self-defense."

I recall the moments of clear danger we have faced since the end of the Second World War—Iran, Greece and Turkey, the Berlin blockade, Korea, the Straits of Taiwan.

A common principle guided the position of the United States on all of these occasions. That principle was that aggression, direct or indirect, must be checked before it gathered sufficient momentum to destroy us all—aggressor and defender alike.

It was this principle that was applied once again when the urgent appeals of the Governments of Lebanon and Jordan were answered.

I would be less than candid if I did not tell you that the United States reserves, within the spirit of this charter, the right to answer the legitimate appeal of any nation, particularly small nations.

I doubt that a single free government in all the world would willingly forgo the right to ask for help if its sovereignty were imperiled.

But I must again emphasize that the United States seeks always to keep within the spirit of the charter.

Thus, when President Truman responded in 1947 to the urgent plea of Greece, the United States stipulated that our assistance would be withdrawn whenever the United Nations felt that its action could take the place of ours.

Similarly, when the United States responded to the urgent plea of Lebanon, we went at once to the Security Council and sought United Nations assistance for Lebanon so as to permit the withdrawal of United States forces.⁴

United Nations action would have been taken, and United States forces already withdrawn, had it not been that two resolutions, one proposed by the United States, the other proposed by the Government of Japan, failed to pass because of one negative vote—a veto.

But nothing that I have said is to be construed as indicating that I regard the status quo as sacrosanet. Change is indeed the law of life and of progress. But when change reflects the will of the people, then change can and should be brought about in peaceful ways.

In this context the United States respects the right of every Arab nation of the Near East to live in freedom without domination from any source, far or near.

In the same context, we believe that the charter of the United Nations places on all of us certain solemn obligations. Without respect for each other's sovereignty and the exercise of great care in the means by which new patterns of international life are achieved, the projection of the peaceful vision of the charter would become a mockery.

The Problem of Lebanon

Let me turn now specifically to the problem of Lebanon.

When the United States military assistance began moving into Lebanon, I reported to the American people that we had immediately reacted to the plea of Lebanon because the situation was such that only prompt action would suffice.

I repeat to you the solemn pledge I then made. Our assistance to Lebanon has but one single purpose—that is the purpose of the charter and of such historic resolutions of the United Nations as the "Essentials of Peace" resolution of 1949 5 and the "Peace Through Deeds" resolution of 1950.6 These denounce, as a form of aggression and as an international crime, the fomenting of civil strife in the interest of a foreign power.

We want to prevent that crime—or at least prevent its having fatal consequences. We have no other purpose whatsoever.

The United States troops will be totally withdrawn whenever this is requested by the duly constituted Government of Lebanon or whenever, through action by the United Nations or otherwise, Lebanon is no longer exposed to the original danger.

It is my earnest hope that this Assembly, free of the veto, will consider how it can assure the continued independence and integrity of Lebanon. Thus the political destiny of the Lebanese people will continue to lie in their own hands.

The United States delegation will support measures to this end.

⁴ For background, see ibid., p. 186.

⁵ For text, see *ibid.*, Nov. 28, 1949, p. 807.

⁶ For text, see *ibid.*, Nov. 13, 1950, p. 767.

Jordan, Another Urgent Problem

Another urgent problem is Jordan.

If we do not act promptly in Jordan, a further dangerous crisis may result, for the method of indirect aggression discernible in Jordan may lead to conflicts endangering the peace.

We must recognize that peace in this area is fragile, and we must also recognize that the end of peace in Jordan could have consequences of a far-reaching nature. The United Nations has a particular responsibility in this matter, since it sponsored the Palestine armistice agreements upon which peace in the area rests and since it also sponsors the care of the Palestine refugees.

I hope that this Assembly will be able to give expression to the interest of the United Nations in preserving the peace in Jordan.

Question of Inflammatory Propaganda

There is another matter which this Assembly should face in seeking to promote stability in the Near East. That is the question of inflammatory propaganda. The United Nations Assembly has on three occasions—in 1947, 1949, and 1950—passed resolutions designed to stop the projecting of irresponsible broadcasts from one nation into the homes of citizens of another nation thereby "fomenting civil strife and subverting the will of the people in any state." That was stated in the language of the resolution. We all know that these resolutions have recently been violated in many directions in the Near East.

If we, the United States, are one of those who have been at fault, we stand ready to be corrected.

I believe that this Assembly should reaffirm its enunciated policy and should consider means for monitoring the radio broadcasts directed across national frontiers in the troubled Near East area. It should then examine complaints from these nations which consider their national security jeopardized by external propaganda.

United Nations Peace Force

The countries of this area should also be freed from armed pressure and infiltration coming across their borders. When such interference threatens, they should be able to get from the United Nations prompt and effective action to help safeguard their independence. This requires that adequate machinery be available to make the United Nations presence manifest in the area of trouble.

Therefore I believe that this Assembly should take action looking toward the creation of a standby United Nations Peace Force. The need for such a force is being clearly demonstrated by recent events involving imminent danger to the integrity of two of our members.

I understand that this general subject is to be discussed at the 13th General Assembly and that our distinguished Secretary-General has taken an initiative in this matter. Recent events clearly demonstrate that this is a matter for urgent and positive action.

Arab Development Institution

Now I have proposed four areas of action for the consideration of the Assembly—in respect to Lebanon, to Jordan, to subversive propaganda, and a standby United Nations force. These measures, basically, are designed to do one thing: to preserve the right of a nation and its people to determine their own destiny, consistent with the obligation to respect the rights of others.

This clearly applies to the great surge of Arab nationalism.

Let me state the position of my country unmistakably. The peoples of the Arab nations of the Near East clearly possess the right of determining and expressing their own destiny. Other nations should not interfere so long as this expression is found in ways compatible with international peace and security.

However, here as in other areas we have an opportunity to share in a great international task. That is the task of assisting the peoples of that area, under programs which they may desire, to make further progress toward the goals of human welfare they have set for themselves. Only on the basis of progressing economies can truly independent governments sustain themselves.

This is a real challenge to the Arab people and to all of us.

To help the Arab countries fulfill their aspirations, here is what I propose:

First—that consultations be immediately undertaken by the Secretary-General with the Arab nations of the Near East to ascertain whether an agreement can be reached to establish an Arab development institution on a regional basis.

Second—that these consultations consider the

September 1, 1958 339

composition and the possible functions of a regional Arab development institution, whose task would be to accelerate progress in such fields as industry, agriculture, water supply, health, and education, among others.

Third—other nations and private organizations which might be prepared to support this institution should also be consulted at an appropriate time.

Should the Arab states agree on the usefulness of such a soundly organized regional institution, and should they be prepared to support it with their own resources, the United States would also be prepared to support it.

The institution would be set up to provide loans to the Arab states as well as the technical assistance required in the formulation of development projects.

The institution should be governed by the Λ rab states themselves.

This proposal for a regional Arab development institution can, I believe, be realized on a basis which would attract international capital, both public and private.

I also believe that the best and quickest way to achieve the most desirable result would be for the Secretary-General to make two parallel approaches: first, to consult with the Arab states of the Near East to determine an area of agreement; then, to invite the International Bank for Reconstruction and Development, which has vast experience in this field, to make available its facilities for the planning of the organizational and operational techniques needed to establish the institution on its progressive course.

I hope it is clear that I am not suggesting a position of leadership for my own country in the work of creating such an institution. If this institution is to be a success, the function of leadership must belong to the Arab states themselves.

I would hope that high on the agenda of this institution would be action to meet one of the major challenges of the Near East, the great common shortage—water.

Much scientific and engineering work is already under way in the field of water development. For instance, atomic isotopes now permit us to chart the courses of the great underground rivers. The new horizons are opening in the desalting of water. The ancient problem of water is on the threshold of solution. Energy, determination, and science will carry it over that threshold.

Another great challenge that faces the area is disease.

Already there is substantial effort among the peoples and governments of the Near East to conquer disease and disability. But much more remains to be done.

The United States is prepared to join with other governments and the World Health Organization in an all-out, joint attack on preventable disease in the Near East.

But to see the desert blossom again and preventable disease conquered is only a first step. As I look into the future, I see the emergence of modern Arab states that would bring to this century contributions surpassing those we cannot forget from the past. We remember that Western arithmetic and algebra owe much to Arabic mathematicians and that much of the foundation of the world's medical science and astronomy was laid by Arab scholars. Above all, we remember that three of the world's great religions were born in the Near East.

But a true Arab renaissance can only develop in a healthy human setting. Material progress should not be an overriding objective in itself. It is an important condition for achieving higher human, cultural, and spiritual objectives.

But I repeat, if this vision of the modern Arab community is to come to life, the goals must be Arab goals.

Arms-Control Arrangements

With the assistance of the United Nations, the countries of the Near East now have a unique opportunity to advance, in freedom, their security and their political and economic interests. If a plan for peace of the kind I am proposing can be carried forward, in a few short years we may be able to look back on the Lebanon and Jordan crises as the beginning of a great new prosperous era of Arab history.

But there is an important consideration which must remain in mind today and in the future.

If there is an end to external interference in the internal affairs of the Arab states of the Near East—

If an adequate United Nations Peace Force is in existence—

If a regional development institution exists and is at work on the basic projects and programs designed to lift the living standards of the area—

Then with this good prospect, and indeed as a necessary condition for its fulfillment, I hope and believe that the nations of the area, intellectually and emotionally, will no longer feel the need to seek national security through spiraling military buildups. These lead not only to economic impotence but to war.

Perhaps the nations involved in the 1948 hostilities may, as a first step, wish to call for a United Nations study of the flow of heavy armaments to those nations. My country would be glad to support the establishment of an appropriate United Nations body to examine this problem. That body would discuss it individually with these countries and see what arms-control arrangements could be worked out under which the security of all these nations could be maintained more effectively than under a continued wasteful, dangerous competition in armaments. I recognize that any such arrangements must reflect these countries' own views.

Six-Point Program for Peace and Progress

I have tried to present to you the framework of a plan for peace in the Near East. It would provide a setting of political order responsive to the rights of the people in each nation; which would avoid the dangers of a regional arms race; which would permit the peoples of the Near East to devote their energies wholeheartedly to the tasks of development and human progress in the widest sense

It is important that the six elements of this program be viewed as a whole. They are:

- (1) United Nations concern for Lebanon.
- (2) United Nations measures to preserve peace in Jordan.
- (3) An end to the fomenting from without of civil strife.
 - (4) A United Nations Peace Force.
- (5) A regional economic development plan to assist and accelerate improvement in the living standards of the people in these Arab nations.
- (6) Steps to avoid a new arms-race spiral in the area.

To have solidity, the different elements of this plan for peace and progress should be considered and acted on together, as integral elements of a single concerted effort.

Therefore, I hope that this Assembly will seek simultaneously to set in motion measures that

would create a climate of security in the Near East consonant with the principles of the United Nations Charter and at the same time create the framework for a common effort to raise the standard of living of the Arab peoples.

Foreign Economic Development Activities

But the peoples of the Near East are not alone in their ambition for independence and development. We are living in a time when the whole world has become alive to the possibilities for modernizing their societies.

The American Government has been steadily enlarging its allocations to foreign economic development in response to these worldwide hopes. We have joined in partnership with such groupings as the Organization of American States and the Colombo Plan; and we are working on methods to strengthen these regional arrangements. For example, in the case of the Organization of American States, we are consulting now with our sister Republics of this hemisphere to strengthen its role in economic development. And the Government of the United States has not been alone in supporting development efforts. The British Commonwealth, the countries of Western Europe, and Japan have all made significant contributions.

But in many parts of the world both geography and wise economic planning favor national rather than regional development programs. The United States will, of course, continue its firm support of such national programs. Only where the desire for a regional approach is clearly manifested and where the advantage of regional over national is evident will the United States change to regional methods.

The United States is proud of the scope and variety of its development activities throughout the world. Those who know our history will realize that this is no sudden, new policy of our Government. Ever since its birth the United States has gladly shared its wealth with others. This it has done without the thought of conquest or economic domination. After victory in two world wars and the expenditure of vast treasure, there is no world map, either geographic or economic, on which anyone can find that the force of American arms or the power of the American Treasury has absorbed any foreign land or political or economic system. As we cherish our freedom, we believe in freedom for others.

A World Community of Open Societies

The things I have talked about today are real and they await our grasp. Within the Near East and within this Assembly are the forces of good sense, of restraint, and of wisdom to make, with time and patience, a framework of political order and of peace in that region.

But we also know that all these possibilities are shadowed, all our hopes are dimmed, by the fact of the arms race in nuclear weapons—a contest which drains off our best talents and vast resources, straining the nerves of all our peoples.

As I look out on this Assembly, with so many of you representing new nations, one thought above all impresses me.

The world that is being remade on our planet is going to be a world of many mature nations. As one after another of these new nations moves through the difficult transition to modernization and learns the methods of growth, from this travail new levels of prosperity and productivity will emerge.

This world of individual nations is not going to be controlled by any one power or group of powers. This world is not going to be committed to any one ideology.

Please believe me when I say that the dream of world domination by one power or of world conformity is an impossible dream.

The nature of today's weapons, the nature of modern communications, and the widening circle of new nations make it plain that we must, in the end, be a world community of open societies.

And the concept of the open society is the ultimate key to a system of arms control we all can trust.

We must, then, seek with new vigor, new initiative, the path to a peace based on the effective control of armaments, on economic advancement, and on the freedom of all peoples to be ruled by governments of their choice. Only thus can we exercise the full capacity God has given us to enrich the lives of the individual human beings who are our ultimate concern, our responsibility, and our strength.

In this memorable task there lies enough work and enough reward to satisfy the energies and ambitions of all leaders everywhere.

Thank you very much for your kind attention.

President Acknowledges Soviet Letter Accepting G.A. Session on Near East

Following is the text of a statement by President Eisenhower released by the White House on August 5, together with the text of a letter of August 5 to the President from Nikita Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.

STATEMENT BY PRESIDENT EISENHOWER

I welcome Mr. Khrushchev's agreement that the problems we have had under discussion in our recent exchange of letters should be placed again before the United Nations. I regret that he did not accept the Security Council with the Heads of Government present as the appropriate forum in view of his alleged concern over the threats to the peace. However, the General Assembly is completely acceptable, particularly since the United States previously proposed on July 18th such a procedure to the Security Council.¹

I am therefore instructing the United States Permanent Representative to the Security Council to move the previously presented United States resolution requesting that this matter be put before the General Assembly. This resolution has been held in abeyance in order to permit consideration of Mr. Khrushchev's proposals of July 19th,² 23rd,³ and 28th.⁴

PREMIER KHRUSHCHEV'S LETTER TO THE PRESIDENT

Unofficial text

DEAR MR. PRESIDENT: I received your message of 1 August.⁵ 1 am fully in agreement with the propositions stated in it about the significance of personal correspondence between the Heads of Government. Personal correspondence in our conditions must serve the principal objective which the peoples place before themselves—the

¹ For text of U.S. draft resolution, see Bulletin of Aug. 4, 1958, p. 197.

² Ibid., Aug. 11, 1958, p. 231.

⁸ Ibid., p. 234.

⁴ Ibid., Aug. 18, 1958, p. 275.

⁵ Ibid., p. 274.

securing of peace and peaceful coexistence among states regardless of their social structure.

1 am also in agreement with you that between us at present an unusual correspondence has taken shape. Understand me correctly, this unusual correspondence has been the result of unusual steps which were undertaken by the USA and Great Britain in the Near and Middle East. The USA and Great Britain disturbed peace in this region, having intruded with their troops in Lebanon and in Jordan. In your message you state that it is necessary to come to the assistance of the United Nations Organization and the Security Council in the situation that has come about in the Near and Middle East. You correctly say that the UN was born in the pangs of the Second World War; it is known that mankind tied its hopes for the preservation of peace to the work of the UN and its Security Council, which is called to bear the main responsibility for the maintenance of peace in the entire world. Proceeding precisely from the recognition of this role of the UN, the Soviet Government during the first days of the aggression of the USA and England against the Arab countries introduced into the Security Council the proposal about the withdrawal of the troops of the interventionists from Lebanon and Jordan and about the convocation of a Special Session of the General Assembly of the UN on this question. However, the United States, England and some other countries, belonging to the present membership of the Security Council, prevented the Council from adopting a decision directed towards normalizing the situation in the Near and Middle East. If one speaks frankly then it is necessary to admit that precisely the policy which the United States earries out and which Great Britain and, unfortunately, some other states, support, undermines this international organization and deprives the Security Council of the possibility of fulfilling its functions. One does not have to go far for examples. Didn't the USA order its troops to intervene in Lebanon circumventing the Security Council? Will you deny that the Government of the USA having landed its troops placed before the Security Council a fait accompli. Can you say that similar action strengthened the UN and the Security Council? If one looks at the membership of the Security Conneil in its present form, one automatically comes to the conclusion that under the pressure of the USA this organ has in fact been transformed into some sort of committee consisting principally of countries belonging to NATO, the Baghdad Pact, SEATO, and in which the place of the lawful representative of the great Chinese People's Republic is occupied by the representative of the political corpse Chiang Kai-shek.

The policy of ignoring the People's China—this is recklessness. This great power exists, is becoming stronger, and is developing regardless of whether it is recognized or is not recognized by some governments. If good sense won out and the Chinese People's Republic occupied its lawful place in the UN, this would be appraised properly by all peoples since the peoples understand that the Security Council and the United Nations Organization without the Chinese People's Republic cannot be a full-fledged effective organ in the matter of preserving peace and insuring security as the charter of this Organization demands.

In this way a situation has arisen whereby the Security Council in fact is paralyzed and is not capable of taking any decision independent of the will of the United States of America which would actually facilitate the guaranteeing of peace in the entire world.

I would not want to enter into polemics with you at present but I cannot, nevertheless, pass by certain assertions in your message in which a distortion of the foreign policy of the Soviet Union and its objectives is permitted.

You state, for example, that supposedly the Soviet Union has imposed its political domination over the countries of Eastern Europe. This statement, of course, does not surprise us, which, however, does not have any basis under it. We already have heard all of this more than once from the Secretary of State of the USA, Dulles. But by frequent repetition of assertions of this type they do not become one bit convincing. The peoples of Eastern Europe freely selected their present way of life and will not permit anyone to change it. You have repeatedly made statements about your support of small nations. But if one is to be consistent, then you must in fact recognize the right of peoples to take independent decisions and to establish such a state structure which would answer their interests. But, of course, this is not so in practice. As soon as any change takes place which leads to the disturbance of the order of things suitable to the Government of the USA, these changes are represented by you as something perpetrated not by the will of the peoples but by somebody else's will.

But is it possible to close one's eyes to the fact that we live in the epoch of great revolutionary changes, in the epoch of the reconstruction of the social structure on new principles. This wave which arose in the Soviet Union now acquires a still more mighty scope. It has taken hold of China, the countries of Eastern Europe, Northern Korea, Northern Viet-Nam. Simultaneously the peoples of many countries of Asia and Africa, which had been cruelly oppressed by the imperialist powers, acquired their national independence in the struggle with their own and foreign oppressors. The peoples of a number of other countries of these continents of the globe are earrying on a national-liberation struggle and there is no doubt that they will achieve victory and no foreign bayonets of colonizers can prevent this because an end has come to colonialism. Such is the inevitable course of history, such is the will of the people.

No state, if it in fact intends to show concern about the independence and security of small countries, can appropriate for itself the right of interfering in the affairs of these countries and with this purpose to announce various kinds of "doctrines". But in this case on what basis has the Government of the USA announced the doctrine bearing your name and is it interfering in the affairs of the countries of the Near and Middle East? When the people of Lebanon, for example, exasperated by the policy of their President, who had become a servant of the United States of America and not the servant of his own people, demanded his removal then it was enough for this President, who had lost the confidence of the people, to

turn to you in violation of the Constitution of his own country for the Government of the USA to put into motion the American Sixth Fleet, to throw its air-borne forces into Lebanon and to begin to bring "order" there in accordance with the said doctrine.

The English Government headed by Mr. Macmillan utilized a reference to the request of the King of Jordan, who does not have any support from his own people, in order to interfere with its armed forces in the internal affairs of Jordan.

Some in the United States of America up until the present boast that the Government of the USA interfered in the affairs of Guatemala and expelled from there the legally elected government and president. Does this really also correspond to your understanding of concern about small countries and respect for their independence and dignity?

If this is so, Mr. President, in such a case we have different understandings of the rights of small nations. In the universally accepted political language such actions of the Government of the USA are a flouting of the rights of small peoples and imposition upon them of one's own dictate against which the peoples of all countries on whose independence the United States of America and Great Britain are encroaching are also carrying on a stubborn struggle.

If one would recall other facts of this type, even without looking into the distant past, in fact the entirely recent case of the landing of American troops on Cuba, then it would be necessary to speak a great deal about this and the message undoubtedly would expand.

I cannot but refer to your evaluation of events in the Near and Middle East. You aver that the problem of the Middle East is not a question of aggression on the part of the USA, but rather a question of indirect aggression. This means, Mr. President, that in speaking about some indirect aggression, evidently just as we and the preponderant majority of the other countries regard the introduction of foreign troops on foreign territory as an act of direct aggression. Against this no objection can be raised.

That is why the introduction of American troops into Lebanon and of English troops into Jordan is justly regarded in the whole world as direct aggression. As for the allusions which you make in your message to some indirect aggression, one cannot but consider the reference to this imaginary danger as an attempt to conceal the direct aggression of the USA.

Besides, the assertions about indirect aggression allegedly threatening Lebanon have been refuted by two well-known reports of the UN Observers specially sent by the Security Council to Lebanon.

In these circumstances, it is not understandable to us, Mr. President, with what right the Government of the USA takes upon itself the role of an arbiter and judge and asserts that some kind of indirect aggression has taken place in Lebanon. That is why it seems that you do not recognize the right of the peoples of the Near and Middle East to look after their own fate and the organization of their states on a basis which corresponds to the interests of those peoples. You, Mr. President, are falling into direct contradiction with your

assertions about respect for the aspirations, dignity, and security of small countries.

The whole world knows that the internal events in Lebanon, Iraq, and Jordan are an expression of the anger of the peoples of those countries, who have become indignant against an order foisted on them by the imperialistic colonialists. In Iraq, there was an uprising by the people for whom it became intolerable to endure the oppression and outrages of the lackeys of foreign states. Now, the USA and other Western Powers have recognized the Republican Government of Iraq. As a result, you and your allies, Mr. President, have recognized that the Iraqi people had the right to change the order which existed.

In this way, your assertions about some indirect aggression do not have any foundation; they divert from the real aggression which is taking place in the Near and Middle East and which is being committed by the USA and England.

We regret, Mr. President, that you do not agree to the carrying out of a conference of the Heads of Government in Moscow and, in this, have referred to the angry demonstrations, which took place near the US Embassy, of the inhabitants of Moscow against the American armed intervention in Lebanon. This demonstration was a perfectly natural manifestation of the sympathies of the Soviet people for victims of an aggression. Your reference to this case appears all the more unconvincing inasmuch as the Government of the USA up to the present time has itself refused to adopt measures to assure normal conditions for work to the Soviet Delegation to the UN and have not put an end to the systematic provocative activities of certain elements in New York against the Delegation of the USSR, which, of course, could not but exert an influence on the feelings of the Soviet people who gathered at the demonstration.

Our people, Mr. President, did not start such demonstrations. It would be a good thing if such manifestations were stopped. Our people would assess this at its true worth.

I would like to note that our people correctly assess events and well distinguish the actions of hired hooligans against the Soviet Delegation in New York from the true feelings of the American people. We nurture the most friendly feelings towards the people of the USA and aspire to develop between our countries broad cultural and economic ties. We want our peoples better to know each other and to make joint efforts for the preservation and strengthening of peace, for the liquidation of the estrangement between countries, and for having all states live with each other on the basis of genuine good neighborliness. The attitude of Soviet individuals towards the American people is well known. It may be recalled that in the days when irresponsible elements, hired by money from well-known funds, established for subversive work against states not entering into aggressive blocs, in which the USA plays the leading role, were committing outrages at the building of the Soviet Delegation in New York, American scientists, specialists, sportsmen, tourists, and also the well-known public figure of the USA, Mr. Adlai

Stevenson, were being received in the USSR with the cordiality and hospitality customary for Soviet people.

I now want to turn to the main thing, which should, in the given ease, be the only subject of our present correspondence—now more quickly to adopt effective measures for the liquidation of the armed intervention of the USA and England in the Near and Middle East.

You consider that it is necessary to entrust the examination of this question to the UN Security Council. Unfortunately, as I already noted above, the position into which the Security Council has been put at the present time, when it has in practice been subordinated to the foreign policy of the USA, and when the majority of the representatives in it from different countries are not free to undertake anything that would diverge from the position of the USA, does not permit us to recognize your proposal as correct. The policy of the USA in regard to the Security Council undermines its opportunity to adopt effective measures in the defense of peace and for stopping aggression. It is killing the effectiveness of the Security Council as an instrument of peace.

The United Nations Organization and its Security Council are necessary international organs and they must express the peace-loving hopes of the peoples. However, the Government of the USA is using the Security Council for its selfish interests through the representatives of countries which enter into military blocs wherein the USA occupies the dominating position. In essence, the United States of America is trying to reduce the Security Council to the position of a subsidiary organ of the US State Department. How can one close one's eyes to the real situation and not take account of the fact that the Security Council with its present membership is not in a position to draw objective conclusions on the question of the situation in the Near and Middle East.

No. Mr. President, the interests of the preservation of peace in the whole world and the strengthening of security demand from us a sensible approach which would give an opportunity to adopt a positive solution and which would assure peace.

From the first days of the American-English intervention in the Near and Middle East, the Soviet Union has come out in favor of the adoption of immediate measures to stop the aggression, to have foreign troops withdrawn from Lebanon and Jordan, to prevent the extension of the intervention, and to liquidate the dangerous tension ereated by the actions of the USA and England. To these ends, we proposed the convening of a conference of the Heads of Governments of five powers—the USSR, USA, England, France, India, with the participation of the Secretary-General of the UN, Mr. Hammarskjold. We regret that you and Mr. Macmillan have not considered it possible to accept this proposal of ours, in view of which the question of the convening of a conference of the Heads of Government of the five powers with the participation of the Secretary-General has not received a positive answer.

Although the Governments of the USA and Great Britain have made impossible the convocation of a conference of the five powers and bear the direct responsibility for this, it can now be stated with all positiveness that the demands of the peoples for the immediate con-

vocation of such a conference for the purpose of stopping armed intervention in Lebanon and Jordan, and the determination of peace-loving states to put an end to aggression in the Near and Middle East, have compelled the initiators of armed intervention to refrain at the present stage from the extension of aggression against other countries, first of all against the Iraq Republic and UAR. For this reason it is not by chance that the Western Powers, among them the USA and England, were obliged to recognize the Iraq Republic, the appearance of which the aggressors at first portrayed as a threat to peace in the Near and Middle East. This, however, does not signify that the danger of the extension and exacerbation of the conflict in this region has been removed and that the security of the Iraq Republic and of other Arab States is assured. So far the troops of the interventionists have not been withdrawn from Lebanon and Jordan. In addition, new contingents of foreign troops are arriving in this area and new military measures are being carried out in the countries of the Baghdad Pact.

The question of the complete cessation of armed intervention in the Near and Middle East and of the establishment there of conditions which would free the peoples of that area from foreign interference, as before, demands immediate solution. Foreign troops must be withdrawn from Lebanon and Jordan forthwith because their presence there is a constant threat to the peace and independence of the peoples, a scandalous violation of the Charter of the UN to which not one state which is a member of the United Nations Organization can reconcile itself.

Under these conditions the Soviet Government considers it necessary to continue its efforts for the preservation and strengthening of peace in the Near and Middle East. Inasmuch as the Governments of the USA and Great Britain evaded the convocation of a conference of the Heads of Government of the five powers, and the Security Conncil, as we have already noted, has shown itself incapable of assuring a solution of the question of the situation in the Near and Middle East in the interests of peace, the Government of the Soviet Union with the aim of speediest adoption of the necessary measures for stopping the aggression instructed its representative at the UN to demand the convocation of a Special Session of the General Assembly of the UN for the discussion of the question of the withdrawal of the troops of the USA from Lebanon and troops of Great Britain from Jordan. The Soviet Government hopes that the consideration of that question in the General Assembly, in which there are represented large as well as small states, will permit finding of a way to liquidate the war danger created in the Near and Middle East by the actions of the USA and England and bring tranquillity to that area.

Mr. President, I think that you will agree with me that in connection with the events in the Near and Middle East which have faced the world with the threat of general war with all its countless calamities for the peoples the question has especially sharply arisen of creating the conditions for the peaceful eoexistence of states and the liquidation of the "cold war" which has poisoned the entire international situation. The Soviet Union and all peace-loving countries seek the coming of such a time

when no great power can commit aggression even against a small power. The aggression of a small country against a great power is in general not possible. A small country does not have those divisions about which you speak in your letter, Mr. President. It is necessary for us to take into account real conditions and possibilities. A world war cannot be unleashed by a small country, but by a great power which has many divisions and many atomic and hydrogen arms, which has many missiles, bombers and other means of destruction. For precisely this reason the great powers should agree not to take steps which would place the world on the brink of military eatastrophe. The Soviet Government believes that it is necessary to develop in every way contacts and ties between the statesmen of all countries. Personal meetings of the leaders of states can reduce existing tension, facilitate the creation of trust and mutual understanding between states and aid in a more rapid thawing of the ice of "the cold war". We ascribe an especially great significance to such contacts and, as you know, even in December of last year proposed the convocation of a conference of statesmen at the highest level. We are convinced that a conference at the highest level with the membership which we have previously been proposing would aid, with effort on the part of its participants, in finding ways and means of liquidating the condition of "cold war", and make impossible the emergence of a hot war.

Let us do everything necessary so that such a meeting, which is awaited by all peoples, is not postponed until eternity. We await your agreement with our proposal on a conference at the highest level and are ready to take part in such a conference at any time. The speediest possible convocation of a conference at the highest level is in the interests of all states, large and small.

In conclusion I would like to express the hope that the Government of the USA will support the proposal for the convocation of a Special Session of the General Assembly of the UN, which could be a good step towards the relaxation of tension and would prepare the ground for the speeding of a meeting at the Summit.

Respectfully,

N. Khrushchev

August 5, 1958

His Excellency
DWIGHT D. EISENHOWER,
President of the United States of America,
Washington, D. C.

Letters of Credence

United Arab Republic

The newly appointed Ambassador of the United Arab Republic, Mustafa Kamil, presented his credentials to President Eisenhower on August 11. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 458.

Venezuela

The newly appointed Ambassador of Venezuela, Marcos Falcón Briceño, presented his credentials to President Eisenhower on August 14. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 466.

10th Anniversary of Independence of Republic of Korea

Following is the text of a message from Secretary Dulles to the Korean people on the occasion of the 10th anniversary of the independence of the Republic of Korea, August 15, 1958 (press release 468 dated August 14).

I welcome this opportunity to extend greetings to the Korean people. The Republic of Korea was founded 10 years ago today under the auspices of the United Nations. It reflects your great desire for freedom and independence and your willingness to sacrifice for it.

I recall with great satisfaction that it fell to my lot as a U.S. delegate to the United Nations General Assembly in 1948 to help to secure the adoption by the General Assembly of its resolution recognizing that the Government of the Republic of Korea was a lawful government, based on elections which were a valid expression of the free will of the electorate, and that your government was the *only* such government in Korea.¹ It was on the basis of that U.N. resolution that the U.S. Government promptly thereafter extended full recognition to the Government of the Republic of Korea.

The re-creation of the independent nation of Korea has required valiant effort, and even so Korea still unhappily remains divided.

Every day of the 10 years that have elapsed since the foundation of your new republic has been a day of peril and of struggle against the forces of Communist imperialism. During 3 of those 10 years there was open warfare which inflicted immense losses upon your people and upon your nation. You have survived this struggle and have maintained your independence because you have had vigorous and courageous leadership and be-

¹ For text of U.N. resolution, see Bulletin of Dec. 19, 1948, p. 760.

cause your people have been dedicated to freedom and have been willing to struggle and sacrifice to retain it.

Also, you have had friends. The U.S. has tried consistently to play the part of a friend, and we have ourselves accepted heavy sacrifice to help your republic to maintain its freedom when it was subjected to armed aggression.

I recall that on June 19, 1950, I addressed your National Assembly.² I said then that you did not stand alone, that within the free world there were compulsions to common action which flowed from a profound sense of common destiny.

Within a week the Communist aggressors from the North had struck. And they discovered to their dismay that you indeed did not stand alone. Many nations including the United States came to your assistance, and as a result the aggressors were thrown back to and behind their point of beginning.

Now there is an armistice which enables you to make progress in the economic, cultural, and spiritual rehabilitation of your nation, or at least that portion of it which is free.

To achieve in peace the reunification of Korea must remain a basic purpose of your own Government, of your allies. And indeed it is a purpose to which all the United Nations are solemnly pledged. So, as we celebrate the 10th anniversary, may it be not only to look backward but also to rededicate ourselves to the achievement of the peaceful reunification of your homeland.

Asian Water-Resources Experts To Tour United States

The Department of State announced on August 15 (press release 470) that a group of water-resources experts from 12 Far Eastern countries arrived at Washington on that day to start a 3-week study tour of development projects in the United States. The 12 experts are from Japan, the Republic of China, Burma, Ceylon, India, Indonesia, the Republic of Korea, the Federation of Malaya, Pakistan, the Republic of the Philippines, Thailand, and Viet-Nam. An expert from Nepal will join the group later.

The tour, which later will include Europe, has been arranged by the United Nations Technical Assistance Administration and the United Nations Economic Commission for Asia and the Far East, with the International Cooperation Administration as host during the 3 weeks in the United States.

The 12 experts will visit American water-resources development projects at Knoxville, Tenn.; Jackson, Miss.; Denver, Colo.; Las Vegas, Nev.; Chicago, Ill.; Buffalo, Potsdam, and New York, N. Y., before going on to Europe to be the guests of Austria, France, Germany, and the Netherlands on visits to water-resources development projects in those countries.

All of the men are leading experts of their respective countries in the development of water resources, a field that is becoming increasingly important in the Far East. The tour was arranged as a result of the recent regional conference of ECAFE on water resources at Manila, since the possibilities of several large development projects in Asia are now being explored, notably the Mekong River Basin program in Viet-Nam, Thailand, Laos, and Cambodia.

U. S. To Consider Institution for Inter-American Development

Statement by Under Secretary Dillon 1

As you are aware, the United States Government for some time has been giving unceasing attention to the economic problems of Latin America. Visits have been made to the area during the past year by the Vice President, by Secretary of the Treasury Anderson, by Dr. Milton Eisenhower, and, most recently, by Secretary Dulles.

As a result of the reports made by these representatives of the Government of the United States and our coordinated studies of the economic problems of the area, the Secretary has now authorized me to report to you that the United States Government is prepared to consider the establishment of an inter-American regional development institution which would receive support from all its member countries.

After the necessary preparatory steps have been

² For text, see *ibid.*, July 3, 1950, p. 12.

¹ Made before the Inter-American Economic and Social Council of the Organization of American States at Washington, D. C., on Aug. 12 (press release 463).

completed, including consultation with the other American Republics, the United States will be prepared to discuss the organization and responsibilities of such an institution at a mutually convenient meeting under the auspices of the Organization of American States.

Argentine Foreign Minister Reaffirms Hemispheric Unity

Press release 467 dated August 14

Following is the text of a translation of a letter to Vice President Nixon from the Minister of Foreign Relations and Worship of Argentina.

Buenos Aires, June 14, 1958

MY DEAR MR. VICE PRESIDENT: I am happy to reply to the message you sent me¹ following your well-remembered visit to this city.

Our close personal contact and your cordiality, as shown in long conversations, have led me to believe, quite apart from the formalities of protocol, that the relationship between your country and mine, based on the principles which we hold in common, is essential to the future of the Americas.

I wish to express appreciation for your good wishes and I can assure you that I shall endeavor to make your generous predictions come true. I, for my part, basing myself on what I have seen of you and heard from you, wish you every success and I am absolutely certain that your success will effectively serve the common inter-American cause which we both hold dear.

I feel confident that the bonds that have always existed between Argentina and the United States will be gradually strengthened, through a common, determined effort to settle the important problems in which we are both interested, in spite of obstacles that are at times more apparent than real, and that we shall thereby attain a synthesis of all that is best in the Americas, in behalf of peace, solidarity and the progress of our peoples. Accordingly, I take the liberty of recalling to you the thought that motivates our Government, which was clearly stated by the then Presidentelect, Dr. Arturo Frondizi, in the memorable session at Rio de Janeiro on April 9, 1958. This thought affirms the fundamental solidarity of the Americas, based on our common beginnings.

through the discovery of America, and on the similar vicissitudes through which we have passed in order to gain freedom, independence, and the fulfillment of our national destiny, without failing to recognize that in spite of that hemisphere unity, while one portion of the hemisphere is fully developed there is another portion in which the inhabitants do not enjoy the fruits of culture, technology, and prosperity. And we are convinced, Mr. Vice President, that if all the Americas are to fulfill in every way their manifest destiny, rapprochement and a synthesis, on a concrete and effective basis, of all that is best in them is absolutely essential.

In conclusion, I send greetings from my wife to Mrs. Nixon, and I beg you both, you who lent a note of American charm and gaiety to the inauguration ceremonies, to accept respectful and cordial greetings from

Carlos Alberto Florit

The Honorable
RICHARD NIXON,
Vice President of the United States of
America,
Washington

U.S. Cites Circulation of Forgery by U.A.R. Officials

Following is a Department statement released on August 8 (press release 457).

It has come to the Department's attention that officials of the United Arab Republic in various foreign countries are circulating a forged "document" described as a statement of United States policy toward the United Arab Republic. This alleged "circular letter," published in certain Cairo newspapers, purports to set forth steps hostile to the United Arab Republic being planned by the United States.

A copy of a Cairo newspaper which published photographs of this "document" has now arrived in Washington and it has been possible to make a study of it. That the "document" is a complete fabrication should be obvious from the fact that its substance does not reflect United States policy toward the United Arab Republic. Moreover, its fraudulent nature and the crudeness of the forgery are further revealed by the following:

1) The "circular letter" dated April 17, 1958, is labeled "Confidential—Security Information," a

¹ Not printed.

security elassification which was discontinued on November 10, 1953.

- 2) Although the "document" purports to be a telegram, the body of the "document" refers to it as a "circular letter." The Department uses a form of correspondence called a "circular instruction," but it is not transmitted telegraphically. In the Department's nomenclature, there is no such thing as a "circular letter."
- 3) The purported numbering of the "circular letter" bears no relationship to the numbering series presently in effect for State Department communications to diplomatic and consular posts abroad. For instance, this "document" is numbered "Circular 11, April 17, 1958." Under the Department of State system, the numbers begin anew with each fiscal year. The real Circular 11 for the period July 1, 1957, to June 30, 1958, was sent on July 20, 1957.
- 4) This forgery was typed on a blank form of a type no longer used in American Embassies abroad. It was replaced by a new form in Angust 1955. The present form carries at its head: "Incoming Telegram—The Foreign Service of the United States of America." The location of the Embassy must be typed in. The form on which this forgery was typed bears the legend: "Incoming telegram—American Embassy, Baghdad."
- 5) Official messages transmitted to United States diplomatic and consular representatives abroad are signed in the name of the Secretary of State and not by other officials, whereas the forged "document" bears the name of an Assistant Secretary of State.

Final Agreement Signed for Suez Canal Compensation

The International Bank for Reconstruction and Development announced on July 16 that the final agreement providing for compensation arising out of the decree of the Egyptian Government nationalizing the Suez Canal was signed on July 13, 1958, at the Palais des Nations, the European Office of the United Nations, in Geneva.¹

The agreement was signed by Governor Abdel Galil El Emary on behalf of the Government of the United Arab Republic (as successors to the

Egyptian Government); by Jacques Georges-Picot, chairman, on behalf of the Compagnie Financière de Suez (as successors to the Compagnie Universelle de Canal Maritime de Suez); and by W. A. B. Hilf, vice president, on behalf of the International Bank.

Views Invited on GATT Talks on Import Restrictions

Press release 462 dated August 12

DEPARTMENT ANNOUNCEMENT

The Committee for Reciprocity Information on August 12 issued public notice that it invites submission of views in connection with U.S. participation in consultations to be held at Geneva this fall under the provisions of article XIV of the General Agreement on Tariffs and Trade (GATT). The consultations, to be conducted during the 13th session of the GATT starting October 16, will center around the application of import restrictions maintained for balance-of-payments reasons by certain of the GATT Contracting Parties. It is expected that the consulting countries will be the following:

Australia Malaya
Ceyton Federation of Rhodesia and Nyasaland
Ghana United Kingdom

The GATT, an agreement designed to promote mutually advantageous trade among nations, is adhered to by 37 countries which together conduct over 80 percent of world trade. U.S. participation in the GATT stems from the authority of the President to enter into trade agreements under the Trade Agreements Act, as amended.

The consultations will afford an opportunity for the Contracting Parties to the GATT to review the economic and financial situation of the above consulting countries individually. In this context it is intended to explore the opportunities for further relaxation of import restrictions, as well as the possibilities of moderating particular policies and practices that have proved unduly burdensome for U.S. exporters. Although only six countries are consulting this year, more countries will be consulting next year and in following years as a result of certain revisions in the GATT which have recently come into force.

Written statements setting forth trade prob-

¹ For text of Heads of Agreement signed at Rome on Apr. 29, see Bulletin of June 30, 1958, p. 1097.

lems in the countries listed above should be submitted to the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C., by September 15, 1958. To insure their most effective use, statements should be as completely documented as possible and include specific details.

The Committee for Reciprocity Information is an interagency group within the U.S. Government established to receive the views of interested persons regarding proposed trade agreements or actions to be taken under existing agreements. The committee consists of a member of the U.S. Tariff Commission and also of representatives from the Departments of State, Treasury, Defense, Agriculture, Commerce, Labor, and Interior, and the International Cooperation Administration.

NOTICE FOR PUBLIC VIEWS

Notice for Public Views by the Committee for Reciprocity Information August 12, 1958 concerning

Consultations with certain contracting parties to the General Agreement on Tariffs and Trade regarding the application of quantitative import restrictions imposed for balance-of-payments reasons, under Article XIV of the General Agreement.

Submission of information to the Committee for Reciprocity Information regarding these consultations.

Closing date for submission of written statements, September 15, 1958.

It is the intention of the Contracting Parties to the General Agreement on Tariffs and Trade to enter into consultations with certain of the parties regarding their application of quantitative import restrictions imposed for balance-of-payments reasons, under Article XIV of sald Agreement. Article XIV of the GATT, including also Annex J, allows the application in certain instances of discriminatory import restrictions for balance-of-payments reasons, provided the restrictions satisfy the criteria or rules laid down in the article and Annex respectively. Paragraph 1 (g) of Article XIV requires countries maintaining discrimination under Annex J to consult with the Contracting Parties annually regarding these restrictions.

The consultations with countries utilizing Annex J will be conducted separately for each consulting country, in Geneva, Switzerland, during the Thirteenth Session of the Contracting Parties, to be convened on October 16, 1958. The consulting countries are expected to be:

Australia Malaya

Ceylon Federation of Rhodesia and Nyasaland

Ghana United Kingdom

During each consultation, the Contracting Parties will (1) review the country's financial and economic situation and, (2) in this context, discuss the opportunities for further relaxation of the level of its import restrictions, including a lessening of the discriminatory application of these restrictions, as well as explore the possibilities for moderating particular policies and practices which are especially burdensome to exporters.

American traders, business firms, labor organizations and other individuals or associations, which have an interest in exporting to one or more of the consulting countries may, as a result of their own experience, have information relating to (2) above which will be useful to the U.S. Government during the course of the consultations.

The following list includes examples of the type of information that interested persons may wish to submit in response to this invitation:

- 1. Information indicating that discrimination in the treatment of goods available from the United States has resulted in unnecessary damage to the commercial or economic interest of the United States, its citizens or organizations;
- 2. Information indicating that not even minimum commercial quantities of imports of specific commodities from the U.S. are permitted, to the impairment of regular channels of trade;
- 3. Information indicating that trade is being restrained by complex or arbitrary licensing procedures, or tack of adequate information available to traders regarding import regulations;
- 4. Information indicating that reasonable access to a traditional foreign market has not been restored for a particular commodity, even though the country concerned has substantially relaxed its restrictions on imports in general;
- 5. Information indicating that the long-standing application of import restrictions by a country on a particular product has been accompanied by the growth of uneconomic output of that product within the country;
- 6. Information indicating discrimination in the treatment of goods available from the United States as compared with the treatment afforded similar goods from other countries with convertible currencies.

In order to permit adequate consideration of views and information, it is requested that all responses be submitted to the Committee for Reciprocity Information by September 15, 1958. Information coming to the attention of interested parties after this date also may be submitted to the Committee, however, and it will be considered to the exteut time permits.

All communications on this matter, in fifteen copies, should be addressed in a written statement to: The Secretary, Committee for Reciprocity Information, Tariff Commission Building, Washington, D.C. Views may be submitted in confidence, if desired.

By direction of the Committee for Reciprocity Information this 12th day of August, 1958.

EDWARD YARDLEY
Secretary
Committee for Reciprocity Information

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

United Nations Economic and Social Council

Following are the texts of statements made at the 26th session of the U.N. Economic and Social Council at Geneva, Switzerland, by Christopher H. Phillips, U.S. Representative on the Council, and by Walter M. Kotschnig, Deputy U.S. Representative.

STATEMENT BY MR. PHILLIPS ON THE WORLD ECONOMIC SITUATION, JULY 7

Our common objective in the Economic and Social Council is a dynamic one—economic and social progress in an expanding world economy. Since World War II this objective has been realized to an unprecedented extent. During this period the world economy gave a striking demonstration of its power to support larger numbers of people at higher standards of living than ever before.

Of course, complex and difficult problems continued to face all countries—those in the full tide of economic expansion as well as those striving to develop modern productive systems; nevertheless, impressive economic gains were achieved despite the damage and dislocation inherited from the war and the heavy burden on defense, which, unfortunately, had to be assumed by free peoples in the face of continuing international tensions.

Economic growth brings change, and change is never uniform in pace or in its application. Different sectors of an economy are differently affected by the development of new products and techniques, by shifts in demand for different commodities and services, and by other factors which induce changes in the economic structure. While some industries are advancing, others may for a time lose their momentum and even recede. As a result, an economy which is pursuing a long, upward trend grows at an uneven pace and even sustains occasional setbacks. This experience is

typical of an expanding free-enterprise economy, such as the United States, where economic activities reflect the independent judgment and decisions of millions of people.

The centrally planned economies have been far from achieving smoother economic progress. Since the war we have seen the emergence in the countries of Eastern Europe of substantial discrepancies among the various sectors of the economy. Severe bottlenecks have hampered growth; shortages of raw materials, food, and power have resulted in rationing and other restrictions; overemphasis on the production of investment goods has caused serious difficulties. The difficult problems encountered in agriculture in the Soviet Union have produced widespread strains and maladjustments.

Thus, temporary breaks in the line of economic progress have characterized the history of economic development everywhere. A recent example is the temporary break in economic expansion in the United States that has occurred in the last several months.

In this situation the World Economic Survey for 1957 performs two important functions. First, it throws further light on the problem of inflation, which, although varying in intensity and taking different forms in different countries, has been on the world economic scene constantly during the postwar period. Second, it presents an informative analysis of the current economic situation in the light of the recent slackening of economic activity in a number of countries.

Problems of Inflation

The comprehensive examination of the problem of inflation is, of course, in compliance with the

¹ U.N. publication 1958.H.C.1 (U.N. doc. E/3110).

request of the Council at last summer's session. In making this request, the Council recognized that the problem was a persistent one which demanded continuing attention. The fact that inflationary pressures have abated in some parts of the world does not lessen the need for better understanding of the nature, causes, and effects of inflation and the ways and means of checking it. Part I of the survey should contribute materially to this understanding. For carrying out this difficult task, the Secretariat merits our thanks.

May I take this opportunity, Mr. President, to emphasize that the American people remain acutely sensitive to the dangers of inflation. One of the most serious threats to a healthy recovery would be a recurrence of general price increases. The central aim of our domestic economic policy, therefore, is to promote the resumption of economic growth without reviving inflationary pressures.

Inflation has been one of the world's major economic problems since the war. It has varied in intensity from its more acute phases during the postwar reconstruction and the Korean struggle to the relatively modest proportions of recent years. In some countries it has continued with little interruption; in others its course has been much more broken. By and large, however, it has been a persistent and pervasive feature of the postwar world economy. As pointed out in the Secretariat's report, the planned economies have also been subject to inflationary pressures similar to those encountered in private-enterprise societies.

Although inflation in industrial countries in the recent past has generally been so moderate as to be characterized as "creeping," it has given rise, as I have already indicated, to much public anxiety. People in many countries now recognize that inflation can accelerate from a creep to a gallop. They are aware that, even if kept to a moderate pace, inflation may have cumulative effects which could become substantial. They are fearful of a gradual erosion of the value of money which could endanger personal security, diminish incentives to save, distort production, and impair the growth of the economy. They have seen inflation lead to heavy losses of foreign-exchange reserves.

The survey examines in detail the nature and causes of creeping inflation. It finds it different from the more rapid inflation of earlier years. The distinction between these two types of infla-

tion—labeled demand inflation and cost inflation—is by no means a sharp one. Nevertheless, as the Secretariat emphasizes, the creeping inflation of recent years has been associated, not with the abnormal forces of war and postwar readjustment but with peacetime economic growth. This circumstance has given renewed impetus to detailed study of the inflationary process in all its forms and complexities.

Postwar inflation in the underdeveloped countries has generally proved to be a more severe and intractable problem than in the industrial countries. Often it has stemmed from an effort to accelerate the pace of economic growth more rapidly than available resources would permit. Where domestic savings and outside capital have failed to provide the resources desired for development, governments have turned to the printing press or bank credit. Sometimes people have been ready to incur the economic and social costs of inflation if, by so doing, they could purchase more rapid economic progress. There might be merit in this attitude if economic development could, in fact, be achieved through inflation. But the lessons of experience afford no comfort to those who contemplate inflation as an instrument of economic development.

The relative merits and effectiveness of fiscal and monetary controls and of general, as compared with selective, credit controls in dealing with the inflationary pressures have long been matters of controversy. Our own approach in the United States has been pragmatic and flexible—drawing on past experience, watching closely the effects of the various measures adopted, and being ready to modify them as required by the changing situation.

Control of creeping inflation presents a particularly difficult problem. In fact some people contend that it cannot be checked without hampering economic growth and increasing unemployment. They assert that a gradual rise in the price level promotes, and may even be required to maintain, maximum output and full employment. My Government rejects this thesis. We are convinced that relatively stable price levels are not only fully compatible with continuing high employment but essential to it. Not only may creeping inflation accelerate, but it also tends to impair the quality of business decisions and consumer judgments and induces uneconomic use of resources.

We recognize that undue emphasis should not be placed on monetary policies in dealing with some types of cost and price inflation. We recognize that these policies may have to be supplemented by appropriate fiscal policies and by other measures designed to make the economy more competitive and flexible in operation. Any program for restraining inflation of the kind we have recently experienced, and whose effects are still being felt, must be a broad as well as a flexible one.

Postwar Developments in the U.S. Economy

The review of recent developments contained in part II of the survey shows that the year 1957 established many new economic records. In fact a basic problem for most of the year was that of maintaining financial stability during economic expansion.

Today, however, many people are concerned that recessionary tendencies may impair, not only prospects for continued economic advancement over the next few years but even the gains achieved over the last decade. In this connection, I would like to endorse the view expressed in the survey that "there is no question of the recession taking on the dimensions of the prewar depression." Certainly a decline on any such scale is inconceivable on social and political, as well as on economic, grounds.

Economic developments in the United States are important to any evaluation of the world economic outlook. I should like, therefore, briefly to analyze the course of recent economic activity at home, with particular reference to the current recession and the policy of my Government with respect to economic recovery and growth.

First, in order to place the current economic situation in perspective, I believe it would be useful briefly to review economic developments in the United States during the postwar period.

In the closing phases of World War II and in the early days of the postwar period many persons predicted that our economy would soon run into difficulties. Some even felt that the United States would slip back to the depression levels of the thirties, once wartime demands had abated. Many people were convinced that even minor fluctuation in the U.S. economy would give rise to widespread repercussions in other countries.

What, in fact, has been the record?

Far from contracting, demand expanded phe-

nomenally. Our productive facilities, though greatly enlarged during the war, proved completely inadequate to postwar needs. To provide an increasing output of all kinds, the American economy generated an investment of more than \$600 billion of private and public funds in the expansion and modernization of plant, equipment, and basic community facilities. This investment made possible a postwar expansion of almost 50 percent in the volume of goods and services produced, a growth subject to only two brief interruptions in 1948 and 1953. Specifically, aluminum production increased by 200 percent. Output of the electronics industry expanded almost as much. The consumption of electricity and gas more than doubled.

Since the war the rate of growth of the American economy, remarkable though it has been, has at times been exceeded by a number of other countries. This is not surprising. Some of these were countries which had to replace plant and equipment destroyed by the war. Others were countries which, starting from relatively low levels of output, made heavy investment for rapid industrialization an overriding purpose, to the neglect of improvements in housing and in the supply of consumer goods and services. Nevertheless, our free enterprise economy responded vigorously to the challenge of the postwar world. It provided the American people with the highest standard of living ever achieved. It enabled the United States to assume heavy commitments designed to further economic development and to bring greater strength and unity to the entire free world.

Recent Developments in the U.S. Economy

The year 1957 was in many respects the most prosperous in our history. In real terms gross national product, personal income, and consumer expenditures rose to new all-time highs. Until September 1957 our economy operated at a level representing practically full employment.

Toward the end of the year economic activity began to slacken. By April 1958 industrial production—one of the most sensitive indicators in our economy—had fallen by 13 percent. However, in this same period our total output of goods and services had receded by only 4 percent from the record levels of 1957. Disposable personal income fell even less.

It is true that there were nearly 5 million per-

sons unemployed in the United States in May 1958. This figure, however, includes some 2.7 or 2.8 million who, in the best of times, are changing jobs or looking for first jobs. Moreover, during the preceding year the labor force increased by over 1 million. The number of Americans actually employed in May 1958 was 64 million, or only about 1 million less than a year earlier.

Not with standing the recession, the people of the United States continued to enjoy an exceptionally high standard of living. During the first quarter of this year the average American earned sufficient to leave him, after paying taxes, \$1,734 a year. On the average, workers in the manufacturing industries were paid \$2.11 an hour, the highest figure in history; in a week, they worked 38.5 hours and earned over \$81. Even those workers who were unemployed received, through unemployment insurance, an average of \$30 per week.

What I have tried to convey to you is that, even with the recession, America is at work, is producing, consuming, investing, and saving at a very high level. The vitality of our economy has been attested by the fact that we have reached, and may have passed, the bottom of the decline without having imposed great hardship upon the American people.

Four sectors of our economy have played major roles in the current downturn. These have been: a decline in business outlays on plant and equipment, a reduction of inventories, a drop in consumer demand for durable goods, and a fall of our exports.

A sharp rise in private investment in plants and equipment began in 1955 and continued through 1958. This latest expansion came on top of an already very high level of capital investment. Events proved the expectations were too optimistic. As a result, new private capital investment was reduced and is currently about 14 percent below the high of last autumn. Business plans call for further moderate reductions this year as investment decisions are brought more closely into line with immediate needs.

The largest single depressing factor in the recession has been the change from inventory accumulation at an annual rate of \$3 billion in the third quarter of 1957 to inventory liquidation early this year at a rate of about \$9 billion. Essentially, this reduction represents adjustments to declining orders for capital goods and defense

equipment and a falling off of consumer demand for durable goods, mainly automobiles.

Finally, the behavior of our exports has been another large factor in the decline in economic activity. Our merchandise exports, which had increased to a rate of \$20 billion annually early in 1957, had fallen by 20 percent to a rate of \$16 billion early in 1958. In this respect the present situation is in contrast with the recession of 1953, when foreign demand for American products continued to expand.

In some quarters, there is a tendency to overemphasize the impact of economic developments in the United States on the rest of the world while, at the same time, ignoring the effect of developments abroad on the economy of the United States. This oversimplified view has little relation to reality. The events of 1957 make it clear that the American economy can be substantially affected by circumstances abroad which affect the demand for our exports.

In the early part of 1957 foreign demand exerted a strongly expansive effect on the American economy. Our exports, which were already rising in response to the needs of growing economic activity abroad, suddenly had to meet urgent demands arising from the closure of the Suez Canal and other temporary circumstances. These special requirements of other countries subsided at the same time that the pace of economic expansion abroad slowed down. As a result, our exports were depressed from the levels attained during the first half of the year at the same time that demand fell off in other sectors of our economy.

Recent Developments in Trade And Payments

To date, the international effects of the leveling out of the world boom have for the most part been far less serious than had been feared. No general pressure on foreign-exchange reserves has developed. On the contrary, during the very time that the American recession was emerging, the balance of payments of the rest of the world with the United States showed a reversal from the deficit that had appeared during the first three quarters of 1957.

Total demand for imports by the United States has remained almost as high as a year ago. While there has been some decrease in our imports of metals and certain other basic materials, our imports of some types of consumer goods, such as

automobiles, were actually larger both in volume and in value. The evidence suggests that the level of our imports is less affected by moderate variations in our industrial production than has generally been supposed. A significant development in recent years is the fact that, within the total of U.S. imports, the share of commodities which are most sensitive to industrial recession has been falling.

Thus, the continuing high level of our exports, together with a substantial outflow of American capital, enabled many Western European countries, as well as some in other parts of the world, to add substantially to their reserves of gold and dollars since last September. In fact not only has the rest of the world recovered the entire loss sustained during the early part of 1957, but it has increased its total reserves to a record level.

I am aware, of course, that a number of countries are experiencing balance-of-payments difficulties arising from such factors as economic development programs which depend on substantial imports or from reduced earnings of commodity exports. Certain primary producing countries have been especially hard hit. Since we shall be considering the state of the international commodity market later in our agenda, I shall reserve further discussion of this aspect of the world economic situation until that time.

While our total imports and capital exports have been well maintained, the dollars supplied to the rest of the world from governmental sources, both bilaterally and through international organizations, have also been sustained at a high level. Immediately before the war, I might point out, the dollars made available through U.S. Government expenditures abroad accounted for only 2 or 3 percent of the total. In 1957, including dollars made available through international organizations, it was about 28 percent. The great rise in this proportion, and the fact that the supply of dollars from these governmental and international sources does not fluctuate with changes in business conditions, has introduced an important element of stability into the dollar supply to the outside world.

Two of the principal agencies through which the primary producing countries have been able to borrow dollars to finance investments and for more general purposes—the International Bank and the Export-Import Bank—both recorded a sizable increase in their loans to these countries in 1957. The funds made available last year to underdeveloped countries by the International Monetary Fund totaled more than three times that of 1956, exclusive of standby credit arrangements. Establishment and support of these mechanisms has been an essential element of American foreign economic policy.

In the light of these developments I see no reason why the postwar movement toward reduction in barriers to international trade should not continue and why international convertibility of key currencies should not continue to be a realistic goal.

Prospects for the U.S. Economy

What I have been discussing is, of course, history. What are the prospects for the future? We have solid grounds for confidence that we shall resume economic progress without extended interruption. This confidence rests on the performance of a number of basic factors in our economy.

To date, the decline in consumer income and expenditure has been relatively modest—less than one percent from the peak of 1957. This was due in part to the operation of such built-in stabilizers as unemployment compensation and social-security payments. Since February personal income has been moving upward. It has already recovered half of the loss from its peak of last summer. Today it stands at \$340 billion a year.

While private expenditures on plant and equipment are expected to decline a bit further during the remainder of 1958—although at a reduced rate—governmental outlays will increase substantially. By the last quarter of this year the annual rate of outlays on goods and services by Government units at all levels—Federal, State, and local—is expected to be some \$6 billion higher than in the fourth quarter of 1957, or a total of about \$93 billion. This rise will provide an expanded volume of public services and increase the rate at which we are building such needed assets as roads, schools, reclamation projects, and local public utilities.

Inventory liquidation during the first quarter of 1958 reached an annual rate of \$9 billion. Inventories cannot continue to be reduced at this rate in the face of the continuing high level of final demand.

The rapid increase in applications for Government-guaranteed mortgages on houses indicates a significant rise in future construction. The be-

ginnings of this rise are reflected in the statistics on private home building for the month of May, when the annual rate of new housing starts surpassed one million for the first time since January.

Finally, production of automobiles—the most seriously depressed of the durable consumer goods industries—which has fallen to a level just sufficient to replace cars being worn out, has risen moderately.

Thus, there is strong reason to believe that the decline has been halted and will soon be followed by recovery. Industrial production has halted its decline. During the past 2 months it has turned upward as output in steel and other industries expanded. Personal income, total employment, and orders to manufacturers for durable goods also advanced somewhat. Farm income this year has been running considerably above a year ago. Between April and May employment rose by 1.2 million, somewhat more than could be expected simply because of seasonal factors.

Important actions have already been taken by my Government to help speed economic recovery. The availability of credit has been eased and its cost to borrowers reduced. A series of actions has been taken to stimulate the construction of residential housing and to step up activity in such fields as urban rehabilitation. Measures have been taken to accelerate public construction in many categories, including water-resources projects, hospitals, and highways. Congress has been asked to authorize a speedup in the purchase of equipment and supplies used in the normal functioning of government. Provision has been made for payment of unemployment compensation for periods longer than those currently provided for under the laws of various States.

In the light of the behavior of key indicators of our economy—which have again demonstrated the resilience of our free-enterprise system—my Government has not found it necessary to take more drastic action. However, Mr. President, my Government remains flexible in its policy. It stands ready to take additional action, should any prove desirable.

We recognize that economic developments in other countries will be influenced to a significant degree by developments in our own economy. We recognize, in this respect, the interest of other countries in our economic policies. We recognize the importance to them of finding opportunities to earn dollars through exports to the United States

and to obtain loans and investment. These opportunities have expanded consistently since the end of the war with only minor interruptions.

In the field of domestic economic policy, growth and stability will continue to be important objectives, not only for my own country's welfare but also for their effect on other countries.

In the field of foreign economic policy we shall continue to assist economic development abroad, both directly and through the United Nations system. We shall also continue to promote the liberalization and expansion of such measures as the reciprocal trade program.

In conclusion, Mr. President, while any survey of the world economic situation must necessarily focus on such material indices as the volume of production, consumption, and international trade, it is well to remind ourselves that what we are essentially concerned with in this Council is people, their aspirations and expectations in the broadest sense. Economic and social progress cannot be measured solely by physical accomplishments. Any true measure must take account, not only of how much men produce but of the conditions under which they work.

Here two systems stand in sharp contrast. In one system the unpredictable will of a small governing group dominates all economic activity and, indeed, the whole life of the people. There is little scope for individual initiative and enterprise. People have little choice where and at what to work. The individual knows little of liberty and freedom in their true sense. He is an object of manipulation for the preservation of the system.

The other system is based on free choice. The pattern of production is shaped by the independent decisions of countless individuals. The system affords the fullest scope for initiative and innovation. Under it men enjoy not only the highest level of material satisfaction achieved in human history but are also members of a society which recognizes and safeguards their rights and privileges as individuals.

It is well to remember that man is not merely an economic creature. He is at once physical, intellectual, and spiritual. The fulfillment of his broadest aspirations involves far more than the satisfaction of his physical wants. No system which fails to take into account these basic human truths can serve mankind.

Surely, then, a growth in physical output under

a system based on free choice represents economic and social progress in a truer and wider sense than material growth under conditions which exact heavy costs in human freedom and human dignity.

The point I am making is embodied in the statement of a well-known British economist who pointed out that economic development must mean, in the last analysis, a constant expansion of "human options"—the constant widening of man's horizon, not only in material terms but in terms of all the factors that enhance the dignity of the individual.

Of course, Mr. President, so long as people have unsatisfied wants, there can be no ceiling on economic activity or economic development. The past is prolog. The economic performance of the period since World War II lends confidence to the belief that we face a future of even greater promise.

STATEMENT BY MR. PHILLIPS ON FOOD RESERVES, JULY 10

U.S./U.N. press release 2953 dated July 10

It gives me pleasure to say that we find FAO's [Food and Agriculture Organization] report on national food reserve policies in underdeveloped countries ² a very worthwhile document. It presents the subject clearly and comprehensively and is of the accustomed high professional standard of FAO's series of food reserves.

This report was prepared in compliance with resolutions 1025 (XI) and 1026 (XI) of the eleventh session of the General Assembly. It concludes, at least for the time being, the generalized type of study and broad consideration of principles for which the resolutions called. If all of us find it possible to accept the general tenor and conclusions of the report that is before us, then the time has arrived for the preparation and discussion of concrete plans. In that case countries wanting to establish or enlarge national reserves must get down to the work of preparing such concrete plans.

In its illustrative discussion of the situation in India and in Pakistan, FAO has shown the type of information that should be covered, the estimates and the kind of decisions that countries must make, and the nature of the measures and safeguards that need to be developed in concrete fashion.

Mr. President, so far as my Government is concerned, I am happy to say that we are prepared to accept the essence of FAO's report. As we stated in Committee 11 of the General Assembly in January 1957,³ the establishment and maintenance of more adequate national food reserves, especially in underdeveloped countries subject to extreme fluctuations of crops, would go a long way toward accomplishing most, if not all, of the purposes for which some delegations had thought a world food reserve or a world food capital fund would be needed.

The importance and effectiveness of such national reserves in emergency situations is obvious. And they have additional importance for economic development in a number of ways. They could temporarily be drawn upon to help mitigate inflationary pressures of increased consumer demand resulting from intensified economic development. Surplus foods from abroad could not only contribute directly to the stocks that should be held as an emergency reserve but could also in part finance the cost of the construction of storage space. If storage space were available, the local government's task of dealing with domestic surpluses in years of good crops would be greatly facilitated, and years of abundance would become the blessing they should be instead of the embarrassment they now are. The lack of reserve stocks in areas where people live on the brink of disaster from one harvest to the next is a grave impediment to improvements in production methods; producers are fearful that any change in their time-honored ways might upset the precarions balance they had managed to maintain. In this respect, as well, the accumulation of reserves and the creation of facilities for storing them would have significance for economic development.

Mr. President, I am pleased to reaffirm what we stated in the General Assembly on January 11, 1957. The U.S. Government is prepared, in accordance with its authority, to assist in the establishment or enlargement of reserve stocks of this kind. Such assistance would, of course, be predicated on the development by the countries concerned of reasonable and realistic programs and of safeguards that insure the observance of

 $^{^2\,\}mathrm{FAO}$ Commodity Policy Study No. 11 (U.N. doc. E/3139).

⁸ Bulletin of Feb. 11, 1957, p. 233.

FAO's principle of avoiding "harmful interferences with the normal patterns of production and international trade."

I believe that we are all interested in bringing the present phase of study and contemplation of the issue to a close and that we are now interested in giving the ideas so thoroughly explored a fair trial. We cannot do this simply by having the Council tell some governments that they should build up reserves and tell others that they should assist in this effort. For it is clear that only well-thought-out country programs can make their benefits compare favorably with the burdens they impose and that only carefully considered plans can offer the guaranties that FAO's principles for surplus disposal require.

The most practicable way of facilitating the transition from study to action would, therefore, seem to be for governments wishing to accumulate reserves to work out concrete programs, while countries willing to assist in the establishment or enlargement of such reserves, or otherwise interested in the problem, would give prompt consideration to such programs with a view to the early realization of suitable plans. In developing specific country plans governments will want to consult with each other and make use of the machinery for international consultations provided by FAO's subcommittee on surplus disposal.

Mr. President, I will be glad to associate myself with a positive resolution on this subject that would facilitate practical action by recommending the preparation of such country programs and their prompt consideration.

STATEMENT BY MR. PHILLIPS ON INTER-NATIONAL COMMODITY PROBLEMS, JULY 16

U.S./U.N. press release 2961 dated July 17

The conditions under which primary commodities are imported and exported are of outstanding importance to all of us. For this reason I have listened with great interest to the Secretary-General's opening remarks in the debate and to the observations of my colleagues. Also, we have a number of documents before us, such as the Secretariat's Study of Commodity Trade in 1957 and the reports by the International Coordinating Committee for International Commodity Ar-

rangements [ICCICA]⁵ and the Commission on International Commodity Trade [CICT].⁶ It is against this background of the findings, the conclusions, and the hopes expressed in these statements and documents that I would like to develop my comments.

There is universal recognition today that we live in an economically interdependent world. We are particularly aware that this applies to the relations between the underdeveloped economies and the industrialized ones. What benefits one group benefits the other also. Developments prejudicial to either group have unfavorable repercussions on the other.

Many industrialized countries have committed themselves to policies designed to achieve and maintain stable economic growth at high levels of employment. These policies, although not completely successful, have met with a marked degree of success. I am sure we can look forward to further progress along these lines as our basic knowledge and statistical information improve.

In the field of stability of prices of primary commodities, measures and policies have not been so well accepted or so successful. As a result, the underdeveloped countries, where this matter is of greatest concern, have not been able to achieve a comparable degree of stability in their economies. Their heavy dependence on the export of primary commodities made them particularly sensitive to economic developments which are to some extent outside their own control. We are all aware of these special difficulties and of the fundamental importance of finding ways and means for reducing them. This is the essence of the commodity problems with which we are here concerned.

The Fourth Report of the CICT gives us a concise picture of the development in primary commodity markets during the last half of 1957 and early 1958. As described in that report, there was a general decline in primary commodity prices. In the last quarter of 1957 the index of such prices had declined to almost the lowest level in any quarter since the outbreak of hostilities in Korea. These developments necessarily reduced the exchange earnings of the countries concerned. The Commission's report discusses a number of the market forces that have been responsible for the decline in prices. Among these was the slow-

⁴ U.N. publication 1958.II.D.1 (U.N. doc. E/CN.13/27).

⁵ U.N. doc. E/3118.

⁶ U.N. doc. E/3124.

ing down of the rate of economic growth in some of the major industrial countries. In this connection the Commission notes that the weakening of markets for several basic commodities had begun well before the decline in industrial production, owing mainly to the sustained expansion of supply.

Given these developments and the problems that are created by the instability in primary commodity markets, we are faced with the question as to what can or should be done about it. Obviously the more general and long-term solution of the problem, as we all no doubt recognize, lies in the maintenance of stable economic growth in all countries and diversification of the underdeveloped economies. Adequate research into market prospects can assist in anticipating needs and wants of consumers and in keeping in touch with changes in supply conditions. Other measures can help to increase the consumption of the products concerned through improvement of quality, lowering of costs of production, and research into alternative or new uses.

Turning specifically to measures of international commodity policy—measures that are directly designed to prevent or moderate fluctuations in the prices of primary commodities—let me restate the view of my Government that such arrangements should be approached with extreme caution. While we are gravely concerned about these fluctuations, we are also very conscious of the practical fact that control arrangements, either national or international, carry with them risks which must be carefully weighed along with the potential gains. As a country in which the free-enterprise system prevails, we believe that a well-functioning price system has the major role to play in the rational allocation of resources. Basic trends in the prices and the volume of trade are the expression of basic trends in supply and demand. They must not be impaired. What we should aim to eliminate are excessive fluctuations in prices. These fluctuations are generally felt to have no genuine economic function and are the outgrowth of essentially temporary situations.

This, of course, is the general proposition. The great problem is posed by the theory's practical application: How can we do what is desirable without, at the same time, interfering with the functioning of the price system? How can we eliminate short-term fluctuations without disturb-

ing the basic trends? When we take action in this field, how can we discern the quantitative impact of the basic forces of supply and demand and leave them free to assert themselves and give producers a timely warning of needed long-term shifts in resource uses?

All this serves to point up the need for careful study of the facts in each individual commodity case—to ascertain the character of a special problem and the possibilities of special action. While study is not an alternative to action, it is a prerequisite if we are to avoid hasty and unwise action that at best helps no one and, at worst, may do much damage even to those who are to be assisted.

It is sometimes suggested that the United States has held itself aloof from the consideration of commodity problems and has not actively pursued measures looking toward their solution. May I indicate specifically what my country is doing in this respect:

- 1. The United States participates in a number of international commodity activities—control agreements, study groups, other technical consultative bodies, and ad hoc conferences. Thus, at the present time the United States is party to two of the three international commodity arrangements. It is a member of practically all the study groups, including those that relate to such important commodities as cotton, coffee, cocoa, rubber, and wool. The United States also intends to participate in the meetings that have been proposed by ICCICA for the fall of 1958 on copper, lead, and zinc, and which the distinguished Under Secretary announced yesterday would commence in London in mid-September.
- 2. My Government continues to pursue a policy of liberalization of trade which is so important to primary producing countries, and our imports generally have been maintained at high levels in spite of the recession.
- 3. In the conduct of our stockpiling programs we recognize an obligation to avoid actions that would have disruptive effects on world prices.
- 4. In the disposal of agricultural surpluses we continue to take precautions not to displace normal commercial trade.

⁷U.N. Under Secretary for Economic and Social Affairs Philippe de Seynes.

5. We are assisting the economic development and diversification of underdeveloped countries through our financial and technical assistance programs and through our efforts to promote conditions favorable to an increased flow of private investment.

I have noted with great interest the comments of members of this Council who have expressed the hope that the work of the Commission on International Commodity Trade can be made more effective by wider participation of important industrial countries. Having seriously considered these expressions of hope, we would like to state our active interest in such participation. In this connection, we welcome the initiative of Argentina, Uruguay, and Belgium during the last session of the Commission, looking toward a modification of the Commission's terms of reference. My delegation is hopeful that this effort will result in appropriate modification of the terms of reference of the Commission to make it a more effective forum where new ideas and new initiatives can develop. We are also hopeful that such modification of the terms of reference would remove the obstacles to active U.S. participation in the Commission's work.

Let me stress, however, as strongly as I can, that our interest in participation in the work of the CICT does not, as was suggested early this morning, constitute "condescension" on the part of the U.S. We honestly believe that the CICT can play a more useful role than has been the case to date. If, for one moment, we felt that our participation would be regarded as reducing the usefulness of the CICT, we would certainly not wish to make ourselves available for membership.

Mr. President, I would like to assure you and the Council that the economic policy of the United States in relation to the underdeveloped countries is based on a deep consciousness of the need for assisting a high rate of growth and of helping to make that growth as stable and continuous as possible. We are truly anxious to help to this end within the limits of what is sound and within our capabilities. And we are always ready to discuss these problems in an effort to find practical and acceptable solutions. Our own interests will have been fully served if we succeed in promoting a more secure and more abundant life for all.

STATEMENT BY MR. KOTSCHNIG ON REVIEW OF ECONOMIC AND SOCIAL PROGRAMS OF U.N. AND SPECIALIZED AGENCIES, JULY 11

A few weeks ago, in Chicago, I had the opportunity to address a conference of social workers assembled from all parts of the United States. More than 1,000 people filled the hall to discuss what was in fact the subject of my speech—"Social Action: An Instrument of Foreign Policy." Earlier in the year I attended another conference in Washington which was even more representative. Scores of organizations with a membership of many millions of Americans participated in it-organizations of labor, business, and farmers, professional women and housewives, religious and racial groups. Their topic was foreign aid, and, I am glad to say, considerable attention was given to the U.N. and the programs of technical assistance.8

Meetings and conferences of this kind are symptomatic of interest and concern the American people have in international economic and social problems. Their concern is one which goes far beyond the more traditional interest in international trade and balances of payments. Americans have a live interest in the fate of the less developed parts of the world, in the living conditions of their people, and in their drive for national independence, for greater personal freedom, and for higher levels of living. Their concern and interest have become a real force in our foreign policy, as is reflected in our continued and substantial support for foreign aid programs, both bilateral and multilateral.

It is significant that during the last few years, while Congress made cuts in almost all parts of our Federal budget, no cuts were made in any of our statutory contributions to the United Nations, the specialized agencies, or the many other intergovernmental organizations in which we participate. It is even more significant that in recent weeks and in spite of the slackening of economic activity in my country Congress maintained our bilateral foreign economic aid at about present levels and increased the contributions we are authorized to make to voluntary programs of the

⁸ For texts of addresses made at the Conference on the Foreign Aspects of United States National Security at Washington on Feb. 25, see Bulletin of Mar. 17, 1958, p. 411.

U.N. and the specialized agencies, such as the Expanded Program of Technical Assistance [ETAP] and the proposed Special Fund.

The reasons behind this interest and the actions which flow from it are complex. One reason is frequently overlooked abroad. It lies in the American tradition to help the less fortunate. We have a genuine concern with the well-being of others because we believe in the dignity of the human person. And we believe in mutual aid because we conquered the wilderness of our continent in standing by each other. This is not the place to delve into American history, its religious foundations, and the great experience of the frontier, but I assure you that our concern with the well-being of others runs deep and has not been destroyed by the corrosive influences of modern society.

Having said this, it would be foolish to suggest that we are not also prompted by self-interest. We readily acknowledge that it is in the interest of our own economic growth to create new markets for our products, agricultural and industrial, and to secure access to the essential raw materials we need from the less developed countries.

But the issues are far more basic. We have a great and genuine national concern with the ability of the countries of Asia and Africa and Latin America to develop their economies through orderly democratic means even though faced with urgent pressures from within and the enticements of totalitarianism as an instrument of rapid, if ruthless, progress from without. Population pressures continue to increase at an alarming rate. In 1830 mankind reached a world total of approximately 1 billion individuals. It took another century to reach the third billion. Forecasts by our United Nations demographers indicate that, with continued medical progress, the world total will pass the fourth, fifth, and possibly even the sixth billion mark by the end of the century. This indeed creates an explosive situation. No static economy can sustain this steady rise in population.

Barbara Ward, in her recent book The Interplay of East and West, summarized the situation succinctly when she said that "the choice now is modernize or perish." Yes, we must choose. The countries of the world can either develop economically and socially at a rate far exceeding any yet experienced or resign themselves to substandard levels of living, famine, bloody revolution,

disintegration rather than development of democratic government, loss of liberty, and war.

These are the major reasons why a new dimension has been added to our foreign policy. They help to explain our vast foreign economic aid programs. And they give reason for the sustained efforts which we have made, inside and outside the U.N., to help develop the United Nations and the specialized agencies into effective instruments for economic and social development and progress.

Mr. President, these are also the reasons why we always look forward with keen interest to the annual debate of programs in which, for the third time, we are presently engaged. The very setting of this debate is inspiring. Not only have we here in this chamber today and yesterday representatives of the so-called big powers and able spokesmen for the teeming masses of people living in the less developed parts of the world. have among us, in addition to the Under Secretary General, the Directors General of the great intergovernmental organizations which have as their purpose to achieve, through common international action, a better life throughout the world. Millions of people are alive today thanks to the work of their organizations. Literacy, a major key to progress, is spreading faster because of them. With their aid, new techniques basic to economic and social development are penetrating to the furthermost corners of the world. Their assistance helps to develop new systems of communications which are bringing the nations of the world closer to each other.

And we have with us the executive secretaries of the regional economic commissions, which are doing such signal work in carrying modern progress to the countries of their regions and which are proving so effective in assisting the leaders of these countries in their heroic efforts to improve the lot of their peoples. In a word, we have in this chamber the top general staff in the great international war against misery, ignorance, disease, and premature death. It is one war where victory is likely to spell peace in greater freedom for all.

There is one thing, above all, that can be and must be expected of all of us as a group. We must develop an acute sense of historic realities and, through this, perspective. This leads me straight to the first of the few major points I have been asked to make on behalf of my Government.

Five-year Appraisal

I refer now to the 5-year appraisal of programs on which the Council made its decision last summer in Resolution 665 C. At that time the Council (1) requested the Secretary-General to make an appraisal of the scope, trend, and cost of the regular U.N. programs in the economic, social, and human rights fields for the period 1959-1964 for consideration by the Council at its 28th session; (2) invited the ILO, FAO, UNESCO, WHO, and WMO to consider the most appropriate and practical methods of preparing similar appraisals of their own programs for the same period; (3) requested the Secretary-General and the executive heads of the agencies concerned to consult on the preparation of these appraisals in comparable form; and (4) requested the Administrative Committee on Coordination [ACC] to present to the Council at its present session a report regarding the preparation of these appraisals and on major problems which may have been encountered. Under the same resolution, the Council decided to consider at this session the arrangements necessary for preparing, on the basis of the above-mentioned appraisals, a consolidated report with conclusions. to be submitted together with the appraisals, to the Council at its 30th session (1960).

It will be remembered that last year considerable doubts were expressed by high-level members of the United Nations Secretariat and by two of the specialized agencies concerning the feasibility and desirability of the proposed appraisal. It will also be recalled that, notwithstanding these doubts, resolution 665 C was voted unanimously.

We rejoice in noting in annex II of the ACC report ⁹ that the original misgivings appear largely to have been overcome and that considerable progress has already been achieved in the preparation of the appraisals. UNESCO has gone farthest in endorsing the Council's proposal. The UNESCO document 50 EX/18 of April 11, 1958, not only contains a carefully worked out timetable for the completion of the appraisal but a 51-page preliminary text of such an appraisal. The FAO, in a document entitled "FAO Report to ACC on ECOSOC Resolution 665 Λ and 665 C dealing with Coordination and Concentration of the Programs of the U.N. and the Specialized Agencies" ¹⁰

(a report which unfortunately was not made available to ECOSOC), sets out a carefully thought out timetable and contains also pertinent observations on the best ways of preparing the FAO appraisal. The WHO, in resolutions passed by its Executive Board on January 20, 1958, and in a somewhat watered-down form by the World Health Assembly in Minneapolis, endorsed the ECOSOC proposal, which it believes it can carry out within the framework of the periodic reviews of its "general program of work covering a specific period." The WHO resolution provides that this review could be adjusted to the period suggested by the Council. The WMO, at its session in October 1957, also authorized its Secretary General to proceed with the plan.

As was already brought out yesterday by the distinguished representative of the Netherlands, however, there are still uncertainties and hesitations which, unless they are removed, might seriously jeopardize the success of the project. Reference was made to the overly cautious attitude of members of our own secretariat and to the stand taken by the Governing Body of the ILO. The position taken by the ILO set forth in document E/3089 of April 5, 1958, indeed reflects a considerable and continuing reluctance on the part of the ILO to implement fully the Council resolution.

My delegation has the highest regard for the ILO and its outstanding achievements. It is the doyen among the major specialized agencies, and its Director General, beloved by all of us, is a man of exceptional vision and accomplishment, as demonstrated again yesterday in his outstanding contribution to our debate. It is therefore only natural that we should give special attention to the views of the ILO. For this reason and to dispel lingering doubts in other quarters, I hope I shall be forgiven if I engage in a somewhat fuller discussion of the position taken by the ILO. I am not doing this in any carping spirit of criticism but in an honest attempt to clarify the nature and the intent of the appraisal proposed and to help secure the full cooperation of all parties concerned.

The major part of the ILO document is devoted to a statement of reservations stressing the autonomy of the ILO; the "unique circumstances" under which it operates; the fact that the appraisal raises for the ILO "serious constitutional issues" due to its tripartite character and that "matters

⁹ U.N. doc. E/3108.

¹⁰ U.N. doc. E/3105/Add. 2.

relating to the program and budget of the ILO cannot, without violation of a constitutional obligation, solemnly ratified by all members of the ILO, be determined by governments outside the framework of the ILO." The report also emphasizes that the ILO is dealing with "dynamic" problems and cannot predict the development of its program. It cannot "commit itself to a longterm program built on the shifting sand of rapid technological progress and on the unforeseen circumstances of political, economic, and social development." The ILO reply, finally, speaks of "a disproportionate amount of time, efforts, resources and effective energy . . . expended in arrangements for coordination of marginal value and importance to the detriment of the productive work of the ILO in abolishing forced labor, eliminating discrimination, etc."

Following these essentially negative observations, the ILO report in 14 lines out of 12 pages states that the information it is willing to furnish is as follows:

The information which the ILO can and will supply in this manner and subject to these limitations will outline the future trends of its programme on the basis of the agenda which is planned for the succeeding two International Labour Conferences and other meetings concerning which decisions have been taken, together with certain other activities which can be expected to be of a continuing nature. These include action concerning: manpower and training programmes; labour-management relations; the development and adjustment to industrialization in the underdeveloped countries; action to safeguard freedom of association, eliminate forced labour and discrimination in respect of employment, and promote other human rights; and research and publications programmes. The information furnished will indicate which of the ILO activities mentioned in it are the result of requests by the United Nations or other organizations and which are undertaken jointly by the ILO with the United Nations or other organizations.

In conclusion, the ILO says categorically that "the Governing Body does not consider that the information which it will supply could appropriately or conveniently form part of a consolidated report such as is contemplated in Resolution 665 C, but that it could nevertheless be presented to the Council simultaneously with, although separately from, any such consolidated report." It suggests, furthermore, that the Governing Body would welcome an opportunity to discuss these matters with ECOSOC and to this end has "appointed a delegation to be available for this purpose at a mutually convenient time and place."

Mr. President, I submit that many of these observations reveal an evident misunderstanding on the part of the authors of the ILO report as to the nature, scope, and intent of the proposed appraisals. It is these misunderstandings which I hope we can dispel by way of a friendly and open discussion.

Nature and Objective of Proposed Appraisals

Let me, first of all, state what the appraisal, as we understand it, is not to be. The Council is not asking for the elaboration of detailed programs for the next 5 years but rather a statement of trends and the development of broad programs. Nor is the Council asking for detailed financial estimates, although it does expect indications as to the magnitude of changes in budgetary requirements. The elaboration of the appraisals does not require firm "policy formulation" from any of the specialized agencies, nor does it require any inflexible commitment on specific programs. Least of all, no one is proposing that the program and budget of the ILO or of any other specialized agency should or could be determined by governments outside the framework of the ILO or any other of the specialized agencies. We hold the autonomy of all the specialized agencies in high respect. There is no attempt at interference with that autonomy, at giving any directions, or at centralization of policy formulation and budgetary arrangements.

What then is the nature of the proposed appraisals and their objective? In an attempt to place the proposition in positive terms, I quote a statement made by the Advisory Committee on Administrative and Budgetary Questions, as reproduced on page 4 of annex II (E/3108). The Committee said:

the general scope and trend of broad segments of the programmes, rather than of a rigid blueprint of detailed projects to be undertaken over a period of several years. At present there is a wide range in the degree of forward planning, even in a broad sense, of programmes among the organizations. Special problems will no doubt arise in some of the organizations in attempting to define long-term trends in programmes; such problems should, however, be possible of solution—with sufficient margin for flexibility—in the interest of an orderly planning of overall international effort in the economic and social fields.

Even more helpful are some observations contained in the FAO report to the ACC (paragraphs

14-20, pp. 7-9) which was cited earlier. Here it is stated that "the first step to be taken in preparing a forward 5-year appraisal would be for FAO to reexamine its philosophy in regard to the lessons to be drawn from past activities and the needs of the present and future years. Such a restatement of trends of general directions of FAO's work would call for a careful study and a great deal of imagination." It would call "for careful consideration of the objectives of the organization and the methods of achieving them."

Second, an approach on functional lines would be preferable to following the existing divisional organizational pattern. In the light of the restatement of "philosophy," each major line of work should be examined. In all cases, the emphasis would be on overall developments and trends and not on a listing of individual projects. In this connection the appraisal should not be confined to the regular programs but should definitely include activities undertaken by the various organizations within the framework of ETAP and, as far as it can be predicted, the new Special Fund.

The third part of the appraisal should attempt a broad indication of the budgetary implications. Separate information might be given as to the part played by documentation and the holding of meetings in the work of the several organizations.

In all of this it must be clearly understood that no appraisal made by any of the organizations would interfere with the essential flexibility which the organizations must have in determining their programs from year to year.

Finally, the FAO paper suggests that the FAO appraisal would "occupy some 60 single-spaced foolscap pages." While we believe that the Council should refrain from setting any such specific limits, reports from 50 to 100 pages per organization would appear adequate.

This synopsis of the positions taken by the Advisory Committee on Administrative and Budgetary Questions and the FAO comes very close to what I believe the Council had in mind in passing resolution 665 C. What is aimed at is an overall appraisal of programs in the light of the historical forces at work in the present day world, the economic and social interests and needs of the highly developed countries, the drive for economic development and higher levels of living in the underdeveloped regions of the world, and the mutual aid that can and must be provided

to facilitate such development. Certainly such an appraisal requires imagination and the use of all modern means of economic and social diagnosis, but in many instances present day trends are so clear that they permit projection into the future.

Viewed from this angle, we feel quite sure that the ILO, with its vast experience, is as capable as any other organization, in spite of the differences in its structure, to take a forward look which would be more than guesswork. Obviously, no specialized agency can predict what the agenda of its conferences and meetings will be in 1964, but the ILO in its state of full maturity, paradoxically enough, has developed such a cohesive pattern of work as to make it easier for that organization to make such predictions.

The ILO has developed a number of operational programs which we are sure are not built "on shifting sands" but which respond to basic needs of the present age. I have already referred to the paragraph in the ILO report which mentions many of these programs. We were surprised, however, not to find in that list any reference to the development of social security systems. Be that as it may, one needs little imagination to predict that with the growth in industrialization of the underdeveloped countries, ILO's responsibilities for assistance in the development of social security systems will greatly increase over the next 5 years. It is true that all these operational programs of the ILO are developed in response to dynamic forces in the world today, but these dynamic forces, we believe, can be ascertained in the case of the ILO as well as, if not better than, for example, UNESCO.

Finally, we are frankly puzzled by ILO's opposition to having its appraisal form part of the consolidated report. Resolution 665 C, paragraph 7, makes it quite clear that the provision of arrangements for the preparation of such a consolidated report lies with the ECOSOC. ECOSOC obviously must be free to prepare for its own purposes and the purposes of the member states of the U.N. and specialized agencies a consolidated report in the form which it considers best. It is inconceivable that such a consolidated report would leave out of the total picture such important programs as manpower training, vocational training and guidance, social security systems, and other measures designed to maintain family levels of living. My delegation earnestly hopes that the Governing Body of the ILO will take another look at this particular problem.

As to the preparation of the consolidated report, the ACC suggests that it should be left to the ACC. Greatly as we value the ACC, my delegation feels that it would not be desirable to leave this matter to the ACC inasmuch as the individual appraisals will have been approved by the appropriate executive organs of the specialized agencies and, in the case of the U.N., by the Economic and Social Council. It would therefore not appear proper to exclude from the preparation of the report governments or experts appointed by the ECOSOC as an intergovernmental body.

Without setting forth a concise proposal at this stage, I should like to suggest that the Council may want to consider one of two courses at this session:

- (a) The Council could decide to appoint a committee of three experts who would be asked to prepare the consolidated report during the first 3 months of 1960, it being understood that the separate appraisals would have to be ready by the end of 1959 (covering the period from January 1960 through December 1964). This report could be submitted to the ACC, which in turn would make its own observations and then transmit the report of the experts, together with its own observations, to the 30th session of the Council.
- (b) Alternatively, the Council could decide on the setting up of a committee of five, consisting of two expert members to be appointed by the Council, two by the ΛCC, and one by the Λdvisory Committee on Administrative and Budgetary Questions. Here again the report would have to be prepared during the first 3 months of 1960. It would then go through the ΛCC to the 30th session of the Council.

Mr. President, I apologize for having taken up so much of the time of the Council with the discussion of the projected appraisal. I hope that my remarks will prove useful in clarifying the project and, above all, in emphasizing the point that, in our opinion, this appraisal is of the greatest importance to the Council, to the specialized agencies, separately and jointly, and, last but not least, to the governments which have contributed their efforts to those organizations in order to improve economic and social condi-

tions throughout the world. If well done, the consolidated report will, for the first time, give our governments and our peoples a clear idea of where we are going. It will help them to understand that what we are trying to achieve is a matter of compelling necessity if this poor old world of ours is ever to emerge into the light of reason and is ever to find firm and secure foundations on the basis of greater prosperity and greater freedom for all. The consolidated report should bring into focus the interrelatedness of all that we are doing and thereby facilitate ever closer cooperation and concerted action wherever feasible between our various organizations.

"Exercise Streamlining"

I now propose to deal much more briefly with two closely related issues—the questions of concentration of efforts or "streamlining" and the problem of concerted action.

My delegation is very much encouraged by the results achieved to date by "exercise streamlining." It is an exercise designed to attain, by constant review, greater concentration of efforts by cutting out frills and hobbyhorses and by devoting available manpower and resources to the solution of major problems. We are, above all, grateful to the Secretary-General for his excellent report entitled, "Observations on the Work Program of the Council in the Economic, Social and Human Rights Fields" (E/3134 and Add. 1). This report has already been fully considered by the Coordination Committee and I shall therefore not revert to it.

Perhaps one of the most important findings of the Coordination Committee in considering the report is contained in the second paragraph of the resolution passed by the Coordination Committee. This paragraph makes it clear that "exercise streamlining" is not primarily designed to bring about financial savings but rather to enable the Council to consider "how best to use the limited resources available . . . in the light of changing requirements." As a matter of fact, I believe it is safe to say that by achieving greater concentration of effort on major projects the chances for increased contributions from governments are improved.

As revealed in their reports before the Council, substantial progress in the streamlining of their

programs has also been achieved by the specialized agencies. UNESCO's concentration on three major projects—the extension of primary education in Latin America, scientific research on arid zone problems, and the promotion of mutual appreciation of Asian and Western cultures—is particularly noteworthy. By the same token, the great achievements of the WHO in the struggle against malaria and other endemic diseases shows that such concentration on major projects is the best way to obtain additional funds. We hope that the new emphasis on the fight against cancer and heart diseases will lead to equally telling results.

My delegation does not believe that the Council need take any additional actions at this session to encourage further streamlining efforts. These efforts have evidently achieved sufficient momentum to have a real and beneficial impact upon program making throughout the family of U.N. organizations. We assume, of course, that the agencies, through their annual reports, will continue to keep the Council informed of further progress.

Efforts to achieve a greater measure of concerted action are still in an early stage, but here, too, progress is encouraging. To use the language of annex I of the ACC report, we are definitely proceeding beyond a mere coordination of activities, i, e. "efforts to harmonize actions undertaken by different agencies within the framework of different programs," toward "concerted action," implying "action under a jointly conceived and unified plan aimed at the common broad objective." In the area of community development the stage of concerted action has definitely been reached. Similarly, in the field of health and nutrition the WHO, FAO, UNICEF [United Nations Children's Fund], and, to some extent, UNESCO are now engaged in concerted programs of very great importance. We hope that before long similar progress will be achieved in the area of the development of water resources and the multiple use of these resources, including the application of scientific findings obtained as a result of the arid zone studies. Concerted action undertaken by individual governments, as in the case of the Lower Mekong River Development is bound to lead eventually to concerted action on the part of the United Nations and the interested specialized agencies.

The programs involved here are obviously complex and many-sided, and therefore progress is

bound to be slow. We look to the ACC for a continuing review of programs lending themselves to concerted action, be it in the field of housing, of urbanization, of industrialization, or in any other areas.

In this connection, we note with interest the steps taken by the ACC to review its own machinery and procedures to increase the effectiveness of its contribution to the work of the Council and the specialized agencies. Considering the close interrelationship between our Council and the ACC, we hope that the ACC will transmit a report on its review to the 28th session of the Council, together with a description of its emerging structure and any recommendations that the ACC may make in the light of the review.

Smallest headway has been made in defining effective procedures for possible consultations between the governing bodies of the specialized agencies and the Council. Valuable suggestions have been made by the Executive Board of UNESCO and by the WHO, and it is to be hoped that they will serve as a basis for further discussions.

Perhaps the most important development in this respect is the appointment by the Governing Body of the ILO of a delegation which is to meet with a similar delegation appointed by the ECOSOC. My delegation and Government warmly welcome this decision and would urge that the Council in its turn appoint a group to meet with the ILO delegation at an early date. We feel confident that a free exchange of views would go a long way toward removing any misunderstandings which may exist between the Council and the ILO. Specifically, it is our hope that the contemplated consultation will result in full agreement on one of the major projects for concerted action which is the 5-year appraisal.

Peaceful Uses of Atomic Energy

There is only one further point, one which has already been mentioned by other representatives, to which I should like to address myself. This is the problem of coordination of activities in the field of the peaceful uses of atomic energy. It is a matter of deep gratification to have Mr. Sterling Cole, the distinguished Director General of the International Atomic Energy Agency [IAEA], among us to share in our deliberations. His in-

tervention yesterday highlighted the important place the IAEA holds in opening up for developed as well as for less developed countries the unlimited source of energy embedded in the atom and the new vistas the peaceful uses of atomic energy open up for the world in terms of economic development and higher levels of living.

It is fully recognized that the IAEA has the leading role in the international promotion of the peaceful uses of atomic energy; and it is important that the specialized agencies in adopting their own future programs bear this in mind. At the same time we trust that the IAEA also realizes fully the vital interest which several of the specialized agencies have in the use of atomic energy. To give only one example, the development and use of isotopes is of utmost importance both in the fields of health and of food and agriculture. The WHO and the FAO therefore would indeed be remiss if they in their turn did not do everything possible to promote the fullest use of such isotopes in their respective fields.

All this raises numerous questions of coordination, a good many of which are still unsolved. Under article XI of the agreement between the U.N. and the IAEA the latter has undertaken to cooperate in the coordination efforts of the United Nations, which under the U.N. Charter are the primary responsibility of this Council, and to participate in the ACC, which is obviously called upon to assume an essential role in the coordination of activities relating to the promotion of the peaceful uses of atomic energy. The agreements now being formulated between the IAEA and several of the specialized agencies also should prove helpful, although we agree with the distinguished representative of the Netherlands that coordination cannot be legislated and that in the long run mutual trust and understanding and practical day-to-day arrangements are likely to prove most effective in assuring coordination and the best use of available resources. In the opinion of my Government the best results will be achieved if all concerned make the most of past experience and employ methods of coordination which have proven their worth over a good many Such methods could include the establishment of joint secretariat units or committees, of joint expert committees either set up by the Directors General or the governing bodies of the organizations concerned, and joint intergovernmental committees.

The U.S. Government furthermore attaches great importance to the participation of the IAEA in the Expanded Program of Technical Assistance. This will not only increasingly furnish to the IAEA substantial financial means necessary in the development of technical assistance programs but will again facilitate close coordination between the IAEA and the other agencies represented on the Technical Assistance Board.

Yesterday Mr. Cole told the Council that the Board of Governors of the IAEA has already agreed that under certain circumstances the IAEA would transmit to the Council reports on its own technical assistance activities without waiting for the approval of such reports by the General Conference of the new Agency. It is very much to be hoped that a similar authority will be forthcoming which will permit the Board of Governors and the Director General to provide annually to the Council for its summer session an up-to-date report on the activities of the IAEA which are of interest to the Council and to the specialized agencies.

If the Council is to fulfill its own coordinating responsibilities under the charter, it is essential that it be kept fully informed of the relevant activities of the IAEA, most of which have as their purpose economic and social development. Without such information the Council obviously would be unable to give any guidance to the U.N. secretariat and to the specialized agencies as they develop their own programs in the atomic energy field. Such reports will be particularly useful if they contain suggestions from the IAEA regarding work that could usefully be undertaken by the specialized agencies and also the regional commissions or in cooperation with them. If the Council is provided with all the relevant information it will, we are sure, greatly contribute to an orderly development of programs in the atomic energy field and thus avoid unhealthy competition between the various agencies concerned.

One last word on this subject. My Government has noted that, probably because of the newness of the enterprise, national coordination of policies with regard to the international promotion of atomic energy is, in many cases, evidently ineffective. The result is that representatives of one and the same government speak with very different voices, whether they appear in Vienna, or in Rome, or in Geneva, or in New York. A special

effort must be made, as we see it, by all governments concerned in order to avoid confusion and much waste of time and effort.

Mr. President, let me conclude on a word of thanks to all those who have participated in our debate, and above all, to the directors general of the specialized agencies who have given so freely of their time and efforts to assist us in our labors. I know that at times we have been an irritant to them and their organizations. On occasions we have gone overboard in our demands for ever-new reviews and reports. But it seems to me that these excesses of zeal are a matter of the past.

Tremendous headway has been made not only in the coordination of activities throughout the United Nations family of organizations, but it can safely be said that their respective programs have gained in purpose, depth, and strength. Common understandings have been reached which are making for ever closer cooperation between the various parts of the United Nations system. The most remarkable thing is that all this has been achieved not by way of centralization, not by directives and orders, but by consultation and persuasion.

There is nothing greater in the world, nothing as effective, as the association of free men working together for common goals. By the same token, the United Nations and the specialized agencies have grown in strength and stature by mutually recognizing their respective functions and responsibilities and by freely combining their efforts designed to improve the lot of man. The tasks ahead of us are tremendous but we are prepared to meet them.

DEPARTMENT AND FOREIGN SERVICE

Appointments

Rey M. Hill as Director, U.S. Operations Mission to Bolivia, effective August 9. (For biographic details, see Department of State press release 465 dated August 13.)

Designations

Jeremiah J. O'Connor as Operations Coordinator, effective July 28.

THE CONGRESS

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Report of Activities of the National Advisory Council on International Monetary and Financial Problems, July 1-December 31, 1957. H. Doe. 404, June 16, 1958.

Amending Section 245 of the Immigration and Nationality Act. Report to accompany H. R. 13451. S. Rept.

2133, August 4, 1958. 5 pp.

Authorizing the Secretary of the Navy To Furnish Supplies and Services to Foreign Vessels and Aircraft. Report to accompany H. R. 5237. S. Rept. 2143, August 4, 1958. 7 pp.

Providing for the Extension of Certain Authorized Functions of the Secretary of the Interior to Areas Other Than the United States, Its Territories and Possessions. Report to accompany H. R. 11123. S. Rept. 2148, August 4, 1958. 4 pp.

Duty on Paint Roller Handles. Report to accompany H. R. 7004. S. Rept. 2164, August 4, 1958. 5 pp.

Study of Raw Materials of Soviet Union and Certain Eastern Hemisphere Countries. Report to accompany S. Res. 225. S. Rept. 2175, August 4, 1958. 1 p.

Importation of Wild Animals From Countries Where Foot-and-Mouth Disease and Rinderpest Exist. Report to accompany H. R. 12126. S. Rept. 2186, August 4, 1958. 7 pp.

Mexican Farm Labor. Report to accompany S. 4232. S. Rept. 2189, August 5, 1958. 6 pp.

Application of Domestic Marketing Order Restrictions to Additional Kinds of Imported Commodities. Report to accompany S. 2142. S. Rept. 2191, August 5, 1958.

Purchase of Flour and Cornmeal for Donation. Report to accompany S. 3858. S. Rept. 2196, August 5, 1958.

Mutual Security Appropriation Bill, 1959. Report to accompany H. R. 13192. S. Rept. 2204, August 5, 1958. 13 pp.

Trade Agreements Extension Bill of 1958. Conference report to accompany H. R. 12591. H. Rept. 2502, August 6, 1958. 8 pp.

Foreign Service Annuities. Report to accompany S. 3379. S. Rept. 2232, August 7, 1958. 4 pp.

International Health and Medical Research Year. Report to accompany S. Con. Res. 99 and S. Res. 361. S. Rept. 2233, August 7, 1958. 3 pp.

Authorizing Appropriation for Pan American Games To Be Held in Chicago, Hl. Report to accompany H. R. 13343. H. Rept. 2524, August 7, 1958. 2 pp.

Tax Protocol With United Kingdom. Report to accompany Ex. A, S5th Cong., 2d sess. Exec. Rept. 2, August 7, 1958. 3 pp.

| American Republics. U.S. To Consider Institution for Inter-American Development (Dillon) | 347 |
|---|-------------------|
| Argentina. Argentine Foreign Minister Reaffirms | |
| Hemispheric Unity | 348 |
| Asia. Asian Water-Resources Experts To Tour United States | 347 |
| Bolivia. Hill Appointed Director of USOM | 368 |
| Congress, The. Congressional Documents Relating to Foreign Policy | 368 |
| Department and Foreign Service Appointment (Ilill) | 368 368 |
| Economic Affairs Final Agreement Signed for Suez Canal Compen- | |
| sation | 349 |
| (Kotschnig, Phillips) | 351 |
| Development (Dillon) | 347 |
| International Organizations and Conferences. United Nations Economic and Social Council | 010 |
| (Kotschnig, Phillips) | 351 |
| public of Korea (Dulles) | 346 |
| President Acknowledges Soviet Letter Accepting G. A. Session on Near East | 342 |
| Program for the Near East (Eisenhower) Mutual Security | 337 |
| Asian Water-Resources Experts To Tour United States | 347 |
| Hill Appointed Director of USOM, Bolivia | 368 |
| Presidential Documents President Acknowledges Soviet Letter Accepting | |
| G. A. Session on Near East | $\frac{342}{337}$ |
| U.S.S.R. President Acknowledges Soviet Letter | |
| Accepting G. A. Session on Near East | 342 |
| Final Agreement Signed for Suez Canal Compen- | 0.16 |
| sation | -349 -346 |
| U.S. Cites Circulation of Forgery by U.A.R. Officials | 348 |
| United Nations President Acknowledges Soviet Letter Accepting | |
| G. A. Session on Near East | 342 |
| United Nations Economic and Social Council | 337 |
| (Kotschnig, Phillips) | 351 |

| | N | ame | I_{i} | nde | r | | | | |
|-----------------------|------|-----|---------|-----|---|--|--|------|-----|
| Dillon, Douglas . | | | | | | | | | 347 |
| Dulles, Secretary . | | | | | | | | | 316 |
| Eisenhower, Preside | nt . | | | | | | | 337, | 342 |
| Falcón Briceño, Ma | reos | · . | | | | | | | 346 |
| Florit, Carlos Albert | | | | | | | | | |
| Hill, Rey M | | | | | | | | | 368 |
| Kamil, Mustafa . | | | | | | | | | 346 |
| Khrushchev, Nikita | | | | | | | | | 342 |
| Kotschnig, Walter M | | | | | | | | | 360 |
| O'Connor, Jeremiah | | | | | | | | | 368 |
| Phillips, Christopher | 11. | | | | | | | | 351 |

Check List of Department of State Press Releases: August 11-17

in this issue of the Bulletin is No. 457 of August 8. No. Date Subject 4588/11 United Arab Republic credentials (rewrite). †459 8/11 U.S. policy on nonrecognition of Communist China. *460 S/11 DLF loan to U.S. firm in Paraguay. *461 8/11 Investment guaranty contract with W. R. Grace and Co. 462 - 8/12GATT consultations on quantitative restrictions. 463 S/12 Dillon: OAS Inter-American Economic and Social Council. Dulles: "Disarmament, the Intensified 464 - 8/12Effort, 1955-1958" (printed in Bul-LETIN of Aug. 25).
*465 8/13 Hill appointed USOM director in Bolivia (biographic details). 466 8/14 Venezuela credentials (rewrite). Letter to Vice President from Argen-

tine Foreign Minister.

independence.

Dulles: 10th anniversary of Korean

8/16 Smith: "The Mutual Security Program : A Fight for Peace.' 470 8/15 Asian water-resources experts to tour U.S. (rewrite).

Press releases may be obtained from the News Division, Department of State, Washington 25, D. C. Release issued prior to August 11 which appears

*Not printed.

8/14

8/14

467

†Held for a later issue of the BULLETIN.

Correction

346

BULLETIN of August 11, 1958, p. 233: The date at the end of Premier Khrushchev's letter should be July 19, 1958, rather than July 9, 1958,

Venezuela. Letters of Credence (Falcón Briceño).

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THE DELICENT OF STATE

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Vol. XXXIX, No. 1002

September 8, 1958

| SUSPENSION • Statement by President Eisenhower | 378 |
|---|-----|
| FOUNDATIONS OF PEACE • Address by Secretary Dulles . | 373 |
| THE MUTUAL SECURITY PROGRAM: A FIGHT FOR PEACE • by J. H. Smith, Jr | 380 |

For index see inside back cover

THE DEPARTMENT OF STATE



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September 8, 1958

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The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

Foundations of Peace

Address by Secretary Dulles 1

Permit me first of all to express my deep appreciation for the honor you have conferred upon me. The Bernard Barneh gold medal is the highest award that the Veterans of Foreign Wars bestows. It reflects your judgment that the recipient has contributed to peace. I am gratified that this organization, which so worthily represents the finest traditions of our nation, should deem me worthy of this award.

The Three Schools of Thought

It is inevitable that, at an occasion such as this, I should speak of peace and of the ways in which our efforts to preserve peace may best be exerted.

There are, in the world, different schools of thought. Some believe that peace is to be found by making concessions which will placate those of aggressive mood. Some would engage in maneuvers of expediency, which in the past have acquired the name of "power politics." Then there are those who would seek to secure peace by promoting the reign of law and justice in the world.

I would like to discuss with you these three alternatives.

"Peace at Any Price"

History has clearly demonstrated that peace cannot be assured by a policy of placating aggressors—of "peace at any price." The fact is that nen will not accept peace at any price. Human beings are so constituted that many would rather ight and die than concede their God-given rights. Our own Declaration of Independence included

among these "life, liberty and the pursuit of happiness," and many indeed died in our War of Revolution to achieve those rights for their fellows and their posterity.

So it has been and always will be. Concessions to despotism lead inevitably to a "point of no return": a choice between intolerable denial of liberty and fighting, even in the face of hopelessly adverse odds, to preserve liberty.

You will recall that during the decade of the 1930's, and particularly the latter half of that decade, certain powerful countries, under aggressive and expansionist leadership, sought to extend their domain in the world. By various devices of direct and indirect aggression they moved against smaller and weaker nations. They gave the impression that whoever tried to halt them would himself become engaged in war.

The League of Nations and its nonaggressive members, desirous of avoiding war, made concession after concession. Finally, when it came to Poland, the nonaggressive powers decided to resist. But by that time the aggressive powers were so overconfident, so reckless, that they would not stop, and World War II ensued.

Curiously enough, it was Stalin who analyzed with the greatest penetration the fallacy of this policy and most vigorously denounced it.

Speaking on March 10, 1939, to the Central Committee of the Soviet Communist Party, he pointed out that the aggressor states "in every way infringe upon the interests of the non-aggressive states, primarily England, France, and the U.S.A., while the latter draw back and retreat, making concession after concession to the aggressors."

He said that this could not "be attributed to

¹Made before the Veterans of Foreign Wars at New Jork, N. Y., on Aug. 18 (press release 472).

the weakness of the non-aggressive states. . . . Combined, the non-aggressive democratic states are unquestionably stronger than the Fascist states, both economically and in the military sense." The explanation was that "the non-aggressive countries have rejected the policy of collective security, the policy of collective resistance to the aggressors." Their policy, Stalin said, might be defined as: "Let each country defend itself from the aggressors as it likes and as best it can. That is not our affair." And Stalin concluded that that policy "means conniving at aggression, giving free rein to war, and, consequently, transforming the war into a world war."

Within 6 months that forecast unhappily proved true and World War II began.

Today, roles are altered. The Soviet Union in March 1939 was fearful of the power of the then aggressors. But now it is itself a great military power. The Soviet Government, in concert with its alter ego, the international Communist movement, seeks to dominate the world. It now denounces the policy of collective security. It now wants each of its prospective victims to be left to stand alone.

But it is as certain now, as it was in 1939, that a policy of falling back, of making concession after concession, will not lead to peace, but to war.

The United States rejects that policy.

We are not alone in this rejection. There is a goodly company, comprising the great majority of the free nations, which also rejects the policy of conniving at aggression. Nearly 50 nations of the free world are bound together in collective-security pacts which embody the principle—"an attack upon one is an attack upon all."

There are, I know, some who feel that it is reckless for the United States to identify our own peace with the peace and security of others. History teaches that not to do so would be reckless. It would be to invite a series of aggressions which at first might seem tolerable to us but which would soon become intolerable. War would inevitably result.

Tactics of Expediency

Let us then consider the possibility of achieving peace by means of tactics of expediency. We would on this theory seek maximum maneuverability by not committing ourselves to any principles or to any predetermined positions.

This was the policy which the Soviet Government followed in the latter part of 1939 after it became convinced that the "non-aggressive countries" would not adopt a policy of collective security. Stalin and Hitler made their agreement to divide up Eastern Europe. Mr. Molotov announced in October 1939 that England and France were now to be regarded as aggressors and enemies of the peace. Together the Soviets and the Nazis had attacked Poland, and Mr. Molotov proudly announced that "it needed only one swift blow to Poland, first by the German army and then by the Red army, and nothing remained of this ugly offspring of the Versailles Treaty." Latvia, Estonia, Lithuania, first lured into mutual assistance treaties with the Soviet Union, were absorbed through the device of enforced plebiscites. Efforts were made to divide up the Eurasian world. These efforts broke down when Hitler and Stalin each insisted on the right to dominate the Persian Gulf area. Then Hitler's forces invaded Russia, and this chapter of power politics came to its end.

This is the way power politics are apt to end. Expediency and opportunism in policy are possible in an absolute despotism. There, the people have no voice in the formulation of foreign policy. They are the slaves of whatever foreign policy the government may from time to time adopt.

But here the people are the masters, the government is the servant.

Thus, apart from any moral considerations, it is quite impractical for the United States to operate on a "freewheeling" basis in the field of foreign affairs. In a democracy like ours foreign policy must be understood by the people and supported by the people. We have had during these postwar years a foreign policy which has on the whole been successful, and which has had bipartisan support, whenever it was a policy that was understood and approved by our people. American people could never understand and put their weight behind a foreign policy which was erratic and, indeed, shifty in character. cannot be led in devious and unpredictable paths by a government which chooses to operate on the basis of day-to-day expediency rather than of principle.

There is another fact which also needs to be observed. That is the fact that the United States is the strongest of the free-world nations. Its power is indispensable to free-world security. But

this power will not help to bind the free world together unless the policies that govern its use are predictable and dependable. There could not be a free-world unity and harmony if the United States reserved to itself the right to shift its position under the dictates of passing considerations of expediency. Other free-world nations must be able to count upon our following a known and acceptable course. Otherwise the free world will collapse in a state of disunity, and we ourselves shall end in a position of precarious isolation.

For America there is no honorable or safe course except to adhere to certain basic principles.

Principles of Justice

Let us therefore turn to consider the third alternative.

I recall that George Washington in his Farewell Address predicted that our nation would at no distant period be a great nation, and he urged that, as such, we should give to mankind the "too novel example of a people always guided by an exalted justice and benevolence." He said, "Religion and morality enjoin this conduct. And can t be that good policy does not equally enjoin tt?"

It can now be said with confidence that good policy does indeed enjoin upon us a conduct of idhering steadfastly to principles of justice.

But what are these principles?—it may be sked.

There exists fortunately in the charter of the Jnited Nations an expression of sound principles lesigned to save succeeding generations from the courge of war. These principles might be called he basic law of the world. Upon their observance epend peace and order.

First of all, the charter binds the members to efrain from the threat or use of force against be territorial integrity or political independence f any state, or in any other manner inconsistent with the purposes of the United Nations.

The prohibition against the open and direct use f force has considerable sanction behind it. here is the weight of world opinion. It would early condemn the unprovoked use of force by ne country to conquer another or to destroy its dependence.

An indispensable supplement to world opinion the deterrent which flows from the collective

will of the free nations to resist aggression and the dedication of great resources to back up their will.

It is more difficult to implement effectively the charter provision which prohibits the "threat" of force.

The Soviet Union, particularly since it has acquired a nuclear and prospective ballistic-missile capacity, has taken to using threats of force in an effort to accomplish its political aims. Within the last 2 years the Government of the Soviet Union, speaking officially at a top policymaking level, has made many nuclear-missile threats. These threats were, for the most part, not designed to prevent any alleged plan of attack against the Soviet Union but rather to intimidate other nations so that they would not oppose Soviet policies in relation to third countries.

These threats, while they constitute disturbing symptoms, have not visibily promoted Soviet foreign policies. Indeed they may have had a contrary effect. In the main, the threatened countries have treated their blustering as bluff, particularly in view of the capacity and determination of the United States not to allow Soviet military power to dominate the world.

This experience confirms that it is essential that our nation should both contribute to world opinion against the use or threat of force and also maintain the capacity and the will to retaliate against the Soviet Union should it actually carry out its threats and engage in armed aggression.

Problem of Indirect Aggression

The charter also prohibits aggression in the broad sense of this term. The United Nations General Assembly has frequently denounced "indirect aggression." In 1949 it adopted a resolution calling upon all nations to refrain from "fomenting civil strife," ² and again in 1950 it adopted a resolution in which it denounced the "fomenting of civil strife in the interest of a foreign power" as among "the gravest of all crimes against peace and security throughout the world." ³

The Soviet Union has itself considered that such acts should be deemed to constitute indirect aggression. In October 1957 the Soviet Government submitted a proposed resolution to this effect.

ptember 8, 1958

² Bulletin of Nov. 28, 1949, p. 807.

³ Ibid., Nov. 13, 1950, p. 767.

Indirect aggression is nothing new. But the art has been greatly perfected in recent years. Through use of inflammatory radio broadcasts; through infiltration of weapons, agents, and of bribe money; through incitement to murder and assassination; and through threats of personal violence it becomes possible for one nation to destroy the genuine independence of another.

It was in order to help to halt such practices that the United States responded to the urgent plea of the freely elected Government of Lebanon and sent United States forces to Lebanon to assist that democratic country to retain its independence.⁴

The United Kingdom acted similarly in relation to Jordan.

These moves in the Near East bring to the forefront this acute problem of indirect aggression. It has become an issue with which the United Nations and its members must deal.

I recall that President Roosevelt in his "quarantine" speech of October 1937 pointed out that indirect aggression and the fomenting of civil strife were characteristic of that period. The League of Nations did little or nothing about it.

The United States is convinced that, if indirect aggression, in the form of fomenting civil strife or subverting foreign governments, is now tolerated as an instrument of international policy, events will indeed follow the tragic pattern which led to World War II, and this time with even more disastrons consequences.

We must, of course, recognize that this issue of indirect aggression is a delicate one. On the one hand, it is clear, beyond a possibility of a doubt, that nations are free to seek, and to get, help as against a genuine external threat. On the other hand, we must be careful not to encourage or condone armed intervention, which of itself may subvert the will of a foreign people. We saw that occur when the Soviet Union sent its armed divisions into Hungary in order to repress what the United Nations found to be a spontaneous uprising of the Hungarian people.

We believe that the task of dealing with indirect aggression should so far as possible be assumed by the United Nations itself. That will eliminate the hazard that individual nations might use armed intervention under circumstances that were self-serving rather than serving the prin-

ciples of the charter. But in order that the United Nations should act effectively, several things are needed.

First of all, it is necessary that public opinion be more alert to the dangers which come from efforts short of actual war to destroy the independence and security of another nation. Too often it is assumed that, so long as armies do not march openly across borders, the situation is tolerable. The fact is that, if indirect aggression were to be admitted as a legitimate means of promoting international policy, small nations would be doomed and the world become one of constant chaos, if not of war.

Also, the United Nations should, we think, itself take steps which will enable it, on a collective basis, to deal with indirect aggression. That is why President Eisenhower proposed that the United Nations should always have available, on call, the elements of a United Nations Peace Force which could quickly respond to the appeal of a nation subjected to civil strife which was being fomented from without.⁵

President Eisenhower also proposed a system which would enable the United Nations to monitor, and if need be condemn, the transmission by radio from one country to another of propaganda which seeks to foment civil strife.

There is still another potential role for the United Nations. In the case of the Truman plan for emergency aid to Greece and Turkey, and now again in the case of emergency aid to Lebanon, the United States has volunteered that it would withdraw its aid whenever the United Nations General Assembly found that such aid was unnecessary.

The United Kingdom has taken a similar position regarding its forces in Jordan.

Thus we subordinate our judgment to the collective judgment of the world community. This represents a further notable effort to implement the principle of peace through law.

Principles to Insure Peace

In all of these foreign-policy matters the United States seeks to develop principles which will in sure peace in the interest of all concerned.

It is difficult for many to understand that the United States should really be motivated by considerations other than short-range expediency. If

⁴ Ibid., Aug. 4, 1958, p. 181.

⁵ Ibid., Sept. 1, 1958, p. 337.

has been customary, for so many centuries, for nations to act merely to promote their own immediate self-interest, to hurt their rivals, that it is not readily accepted that there can be a new era when nations will be guided by principle.

We seek honestly to try to follow policies that will sustain the basic principles of world law which we believe to be the indispensable foundation for peace. Thus, we acted in 1956 in relation to Suez for precisely the same reasons that led us to act as we did in 1958 in relation to Lebanon, namely, to support, as we saw it, the principles of the United Nations Charter.

To paraphrase George Washington's words, our conduct may be novel, but sound policy enjoins it.

Unless the nations of the world will accept and abide by certain principles which are written into the charter as world law, then peace is in constant jeopardy.

Positive Aspect of Peace

Let me close, however, by recalling that peace is never assured merely by negative "do not" principles. It is not enough that force shall not be used or threatened, or that there shall be no aggression, direct or indirect. These denials are an essential part of peace. But they are by no means the whole of peace. Peace also has a positive aspect.

Peace must recognize that change is the law of life for nations just as it is for individuals. It is impossible to freeze the status quo, and attempts to do so will also breed war. That is why the charter of the United Nations, by its first article, says that the settlement of international disputes should be brought about in conformity with principles of justice; and why article 14 provides for the peaceful adjustment of any situation which is likely to impair the general welfare of friendly relations among nations.

We ourselves in this country are blessed because we have a society of law and order. That is because our society is a continuously evolving society. Our laws and social order are constantly being changed in order that they may more faithfully reflect justice in relation to new conditions.

So it must be in the world. The society of nations can no more be frozen in a stagnant position than can our own domestic society.

We live in a world where change is more rapid and more inevitable than ever.

Within less than 20 years, 20 new nations have been born, bringing to many hundreds of millions of people new aspirations for a better economic and social life.

In Western Europe there is the increasing unity represented by the Western European Union; by the Coal and Steel Community; by the Common Market; and by EURATOM, the agency of six countries to develop atomic energy.

In the Near East there is a valid movement for increased Arab unity.

Everywhere, underdevelopment clamors for development. Change is inherent in the development of "Atoms for Peace"—within a generation atomic power will revolutionize our material lives.

To the north and south two once forbidden areas, virtually continental in scope, open up for man's use—the Arctic and the Antarctic.

And on top of all this comes the prospective use by man of the heretofore prohibited area of outer space.

It would indeed be folly to treat the world as static.

But if change is to be peaceful and not destructive, then human conduct and national conduct must be based on principles of law and justice.

If strong nations attempt, by their own means, to make the world over in their image, or if they attempt by their own force to keep the world from changing, then disaster is inevitable.

Our own nation has long since abandoned the use or threat of force for purposes of aggrandizement; and we accept a world of diversity.

Also we are possessed of a dynamic, inventive spirit. We are not afraid to continue to be pioneers.

May it be given us to use these qualities to promote a peace that will be just and durable because it will be based on the solid rock of principle.

September 8, 1958 377

U.S. Offers To Negotiate Nuclear Test Suspension

Statement by President Eisenhower

White House press release dated August 22

The United States welcomes the successful conclusion of the Geneva meeting of experts who have been considering whether and how nuclear weapons tests could be detected. Their conclusions indicate that, if there were an agreement to eliminate such tests, its effective supervision and enforcement would be technically possible.

This is a most important conclusion, the more so because it is concurred in by the experts of the Soviet Union. Progress in the field of disarma-

U.S. Invites Soviets to New York for Talks on Nuclear Test Suspension

Press release 488 dated August 22

Following is the text of a note delivered to the Soviet Foreign Office at Moscow on August 22.

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republies and has the honor to transmit the attached statement made today by President Eisenhower. It will be noted that the United States, taking account of the conclusions of the Geneva meeting of experts, is prepared to proceed promptly to negotiate an agreement, with other nations which have tested nuclear weapons, for the suspension of nuclear weapons tests and the actual establishment of an international control system on the basis of the experts report. The United States proposes that negotiations toward this end begin in New York on October 31, 1958, and that the progress and results of these negotiations be reported through the Secretary General to the United Nations General Assembly and Security Council.

ment agreements depends upon the ability to establish effective international controls and the willingness of the countries concerned to accept those controls. The fact therefore of an agreement on technical possibilities of inspection and control opens up a prospect of progress in the vitally important field of disarmament.

The United States, taking account of the Geneva conclusions, is prepared to proceed promptly to negotiate an agreement with other nations which have tested nuclear weapons for the suspension of nuclear weapons tests and the actual establishment of an international control system on the basis of the experts' report.

If this is accepted in principle by the other nations which have tested nuclear weapons, then in order to facilitate the detailed negotiations the United States is prepared, unless testing is resumed by the Soviet Union, to withhold further testing on its part of atomic and hydrogen weapons for a period of one year from the beginning of the negotiations.

As part of the agreement to be negotiated, and on a basis of reciprocity, the United States would be further prepared to suspend the testing of nuclear weapons on a year-by-year basis subject to a determination at the beginning of each year that:

(A) the agreed inspection system is installed and working effectively; and (B) satisfactory progress is being made in reaching agreement on and implementing major and substantial arms control measures such as the United States has long sought. The agreement should also deal with the problem of detonations for peaceful purposes, as distinct from weapons tests.

Our negotiators will be instructed and ready by October 31 this year to open negotiations with other similarly instructed negotiators.

As the United States has frequently made clear, the suspension of testing of atomic and hydrogen weapons is not, in itself, a measure of disarmament or a limitation of armament. An agreement in this respect is significant if it leads to other and more substantial agreements relating to limitation and reduction of fissionable material for weapons and to other essential phases of disarmament. It is in this hope that the United States makes this proposal.

St. Stephen's Day—1958

Press release 474 dated August 19

As a traditional national holiday of Hungary, St. Stephen's Day will be observed on August 20 by Hungarians in all parts of the world. In their homeland, however, the commemoration of this anniversary of St. Stephen's birth will take place in the shadow of continuing acts of repression and reprisal carried on by the Communist authorities.

The courage of the Hungarian people in this period of suffering and tragedy has won respect and admiration throughout the world. Despite the cruel pressures which have been brought to bear on them by alien forces for more than a decade, they have preserved their spiritual faith and have been steadfast in their devotion to the principles of freedom. This inner strength which they have shown is in striking reflection of the great tradition of St. Stephen, the first Christian king of Hungary and an enlightened leader dedicated to the ideals of justice and humanity.

It is therefore especially fitting at this time, when Hungarians everywhere will honor the memory of St. Stephen as a Hungarian national hero, that tribute should also be paid to the heroism of the Hungarian people themselves. The people of Hungary may be reassured on this occasion that the free world is actively concerned with their plight and supports with full understanding and deepest sympathy their just aspirations for individual liberty and national independence.

Secretary Dulles Answers Query on Chinese Communist Buildup

Following is an exchange of letters between Secretary Dulles and Thomas E. Morgan, acting chairman of the House Committee on Foreign Affairs.

LETTER OF SECRETARY DULLES

August 23, 1958

DEAR MR. CHAIRMAN:

I have received your letter of August 22.

We are, indeed, disturbed by the evidence of Chinese Communist buildup, to which you refer. It suggests that they might be tempted to try to seize forcibly the Quemoy or Matsu Islands.

As you know, these islands have been continuously in the hands of the Republic of China, and over the last four years the ties between these islands and Formosa have become closer and their interdependence has increased.

I think it would be highly hazardous for anyone to assume that if the Chinese Communists were to attempt to change this situation by force and now to attack and seek to conquer these islands, that could be a limited operation. It would, I fear, constitute a threat to the peace of the area. Therefore, I hope and believe that it will not happen.

Sincerely yours,

JOHN FOSTER DULLES

The Honorable
THOMAS E. MORGAN,
House Foreign Affairs Committee.

LETTER OF REPRESENTATIVE MORGAN

August 22, 1958

The Honorable

John Foster Dulles

The Secretary of State

Washington, D. C.

DEAR MR. SECRETARY:

I have noted with concern the recent reports of the Chinese Communist buildup of air power on the mainland opposite the Islands of Quemoy and Matsu. I would appreciate having any comment you may wish to make regarding the situation. Sincerely yours,

Thomas E. Morgan
Acting Chairman

The Mutual Security Program: A Fight for Peace

by J. H. Smith, Jr.
Director, International Cooperation Administration 1

I am grateful for your invitation to talk about the mutual security program and the part it is playing in our Nation's efforts to achieve peaceful progress in the world.

We have just completed almost 7 months of continuous congressional hearings in Washington on the program for 1959. In spite of this fact, I feel that the program is not generally understood throughout the United States, and I would like to analyze it for you.

The United States by itself has 900,000 soldiers, 44,000 aircraft, and about 1,900 combatant ships. Under the mutual security program we have formed military alliances with 42 nations of the free world that have resulted in an additional 4,700,000 men, another 2,500 ships, and 32,000 more aircraft. The North Atlantic Treaty alliance—NATO—is the backbone of this mighty deterrent force. Never in the peacetime history of the world has such a powerful alliance been put together.

There has been plenty of evidence that the Sino-Soviet bloc exploits weakness and respects force. Korea was proof that the bloc will use its own armed might whenever it thinks the risk is not too great. There is no way to make that risk too great except to maintain throughout the free world defense forces sufficient to hold in abeyance the armed might of the Soviet bloc.

As the strongest partner in the free-world alliance, we are playing the major role in building total strength to deter further Communist expan-

sion. We do *not* play the major role from a money standpoint, as most Americans seem to think. Our contribution is mainly in military hardware.

Since 1950, in 8 years, we have spent approximately \$20 billion to build the military strength of our free-world allies. During this same time, these allies have spent more than \$122 billion for the defense of freedom—or better than \$6 for every \$1 we have spent.

But the contribution of our allies does not stop here. As a part of the mutual security effort, they have loaned to us land—real estate—on which we have built more than 250 overseas installations. On these bases, planes and missiles, ships and submarines, men and material stand ready as a visible deterrent to any aggressor's ambitions.

This network, however, does not guarantee the United States immunity from attack, and we must realize that the Chicago area, the heartland of the United States, is less than 9 hours from Moscow via the Arctic Circle with a jet bomber and less than 60 minutes by missile.

No wonder we have formed this solid military partnership of the free world to stop the outward march of Communist armies. No single nation could have achieved that result. A free-world defense partnership could and did.

Let me point out one other important aspect on the military side of our mutual security program. Our partners in the free-world alliance supply five soldiers for each one that we contribute. If we had to station American soldiers in every corner of the world of strategic importance to us, we would not be able to meet our own manpower requirements at home. Farms and factories would

¹ Address made before the 60th annual convention of the American Hospital Association at Chicago, Ill., on Aug. 18 (press release 469 dated Aug. 16 revised as delivered).

be short handed; our economy would slow down, and the cost would be staggering.

I think you will be interested in the comparative costs of maintaining a foreign soldier in his homeland and putting an American GI there. It costs \$240 a year to pay, house, feed, and clothe the foreign partner of one country. To replace him with an American would cost \$3,500 for the same expenses, plus \$3,000 to get him there and back—more than 27 times as much.

This is the military side of the mutual security program. It accounts for about two-thirds of the total funds appropriated for mutual security during the coming fiscal year. This is a definitely smaller proportion of the total funds than in any recent year.

Shift to Economic Solutions

The shift is significant and encouraging. It means that we are moving deliberately from emphasis on military solutions to economic solutions of the world's problems. Today, we realize that too much of the energy, the skill, the creativeness and the youth of the world are devoted to totally nonproductive activity—the maintenance of military forces which, if used, would almost inevitably lead to the eclipse of civilization.

Since World War II, 20 new nations have come into being. These 20 nations have about 750 million people. They total one-fourth of the world's population. Each of these nations has emerged from years, sometimes centuries, of colonial status. Each has had long exposure to disease, ignorance, and poverty.

With a life span of only 35 years, millions of these people lived and died in the 20th century knowing only the fight for survival, believing to the end that their lot was inescapable.

But with independence, close association with the United Nations, and modern methods of communication and transportation, there has come a great awakening. It has been called "the revolution of rising expectations." Each of these new nations is now inspired with a terrific sense of national destiny. Each seeks the fullest possible development for the genius of its people and their economic resources. Each seeks a better standard of living. The leaders of these countries must create an environment of progress and advance.

Under the technical cooperation part of the

mutual security program, best known as point 4, we are working with the less developed nations of Asia, Africa, the Middle East, and Latin America in an effort to do this—to help these people help themselves. We have projects in these countries in health, education, public administration, industry, transportation, agriculture, labor, and community development, et cetera.

ICA's Health Program

I know that you who have gathered here are interested in our health program. You have shown that interest by cooperating with us in important training projects in Latin America. I hope some of the participants in those projects may be here in the audience.

I would like to give you a brief report on what we are doing in more than 40 nations to bring about economic advancement through improved public health.

First, we assist the country in studying its own health needs. We work with it in determining priorities, and we help it develop plans to meet its own health needs. A key factor in all of our discussions is the relation of the projects to be undertaken to the economic and social development of the country itself.

Is a suggested project economically feasible—that is, can the combined available resources, which the United States, the World Health Organization, and the host country are putting into it, effectively deal with the problem? Are there enough trained persons to carry it out, or can personnel be trained? Will the project be acceptable to the people themselves? Will there be early recognizable results? Can the project, once put in running order, be continued by the host country as a regular activity without further United States participation?

Any particular project passing most of these tests would have high priority in a technical cooperation health program. Malaria eradication represents such an activity, and, since malaria itself is the number-one preventable disease in the less developed nations, ICA is working as a partner with the World Health Organization in a worldwide malaria eradication program.

In 1955 alone, 200 million persons were affected and 2 million killed by this disease. Malaria deters economic progress because it results in low labor efficiency, high absentee rates, and neglect of agricultural land that cannot be farmed because of prevalence of disease.

There are many other examples. The conclusion is that health facilities need to be established: hospitals, community health centers, dispensaries, and installations for safe water supply. And we need people to administer and to teach. In fact, we need some of you.

I feel the American public can be particularly proud of the health centers that have been established in countries throughout the world. In Uruguay, Brazil, and Iran, for instance, these health centers have been so successful that they have already been taken over by the host government, a true test of their usefulness.

An Attack Against Preventable Diseases in the Near East

You have all read the stirring words in which the President at the Special General Assembly pledged our country to join with other countries and the World Health Organization in an all-out attack on preventable diseases in the Near East.²

As the President pointed out, despite the substantial effort among the people and governments of this area to conquer disease and disability, much remains to be done.

Preventable diseases constitute a massive human tragedy throughout the Near East. They are a major barrier to economic development.

Yet we know that relatively simple measures can rapidly bring such scourges under control. The effectiveness of the new chemicals and antibiotics against these crippling sicknesses has been conclusively shown.

The tools for the conquest of these diseases are at hand, but these tools cannot be used on a scale which will yield early results without outside aid. With such, which need be only on a relatively modest scale, an aggressive and effective attack can be made on these mass infectious diseases to relieve millions of human beings of chronic suffering and help to bring into being a more vigorous and productive labor force.

We are confident that many countries will wish to share in this great task. The lead in coordinating should, I believe, be taken by the World Health Organization. We are prepared to re-

² Bulletin of Sept. 1, 1958, p. 337.

spond to its leadership, wanting in full measure to assist that Organization and the countries concerned in mounting the needed program.

This is, as the President said, a great challenge. We would not be true to the best in our heritage if we did not move urgently and actively to help it.

Valuable Training and Experience

It is ICA's health program that has given us valuable training and experience to act with urgency. Let me give you two examples. On May 2 Pakistan sent an urgent request for doctors to combat a smallpox epidemic. Seven days later three U.S. Public Health Service doctors were loaned to ICA and were on their way to Pakistan. Four days after that, four more doctors from the Communicable Disease Center in Atlanta were airlifted to Pakistan. More recently—on July 31—the Department of State received a dispatch reporting a sharp outbreak of polio in Nicaragua. This was promptly referred to ICA, and 4 days later, 27,000 doses of Salk vaccine, donated by an American company, were landed in Nicaragua.

But I would not have you believe that Dr. Eugene Campbell, Chief of ICA's Public Health Division—whom, I am sure, many of you know is either satisfied or complacent. He and his staff are studying plans for a worldwide diarrheal disease control project. They are investigating the possibility of assisting in the operation of rural hospitals in the less developed nations, somewhat along the lines of Dr. Dooley's hospital in Laos. Tuberculosis control, the eradication of smallpox, worldwide nutritional problems are being studied to see what these countries can do with assistance from the mutual security program. I know that I speak for Dr. Campbell when I say that he would welcome suggestions from any of you on ICA's public-health activities.

Our technical cooperation programs account for almost 85 percent of ICA's employees. We are sending several thousand Americans to the less developed nations of the world to point the way to a stronger and healthier future; and we are bringing thousands of their citizens to the United States, to Puerto Rico, to Hawaii, to the Philippines, for training.

The American people, individually and through philanthropic foundations, have been

helping other people for over 100 years. The United States Government has been working to help other nations achieve economic stability for more than 10 years.

Soviet Economic Effort

The Soviet Union entered this field in 1953, shortly after the death of Stalin. Copying many of the features of our own program, the Soviets have now launched their economic offensive on a worldwide scale.

The ulterior motive behind this effort is a new threat to security of less developed nations and, in my opinion, it is a more serious and subtle threat than Soviet military aggression. I say this because I believe that no one today expects to win a nuclear war.

The men in the Kremlin make no secret of their intentions to gain the world by economic means. Khrushchev has said: "We value trade least for economic reasons and most for political purposes." To lure the less developed nations into the Soviet web, the Communists are loaning money right and left at low interest rates, principally to Afghanistan, Burma, Cambodia, Ceylon, Egypt, India, Indonesia, Syria, and, until recently, Yugoslavia. Their loans in the last 4 years are edging close to the \$2-billion mark. About 80 percent of this is economic, and about 20 percent is military.

The Soviets are seeking a semblance of respectability, an entree, a chance to weaken the influence of the United States, and an opportunity to get into the less developed nations where they can spread the cancer of communism. Over 2,000 Soviet technicians are at work today in 19 countries.

The Communist line is that in 40 years the Soviet Union has risen from a backward nation to a progressive and powerful one; and they promise to show the way—the Communist way—to anyone who will follow them. They tell the new nations that our democracy is a "freak," a "phony." They don't tell them that 6 percent of the world's people living under this democracy produce 40 percent of the world's goods and enjoy the highest standard of living in history and, more important, the greatest freedom of the individual.

And obviously the Communists don't mention that their own people have about the lowest standard of living in Europe; and they are silent on the question of personal freedom, the dignity of man, and the low state of religion in the Communist world.

President Eisenhower has summed up the Soviet economic effort in these words:³

If the purpose of Soviet aid to any country were simply to help it overcome economic difficulties without infringing its freedom, such aid could be welcomed as forwarding the free world purpose of economic growth. But there is nothing in the history of international communism to indicate this can be the case. Until such evidence is forthcoming, we and other free nations must assume that Soviet bloc aid is a new, subtle, and longrange instrument directed toward the same old purpose of drawing its recipient away from the community of free nations and ultimately into the Communist orbit.

There is a great urgency in this problem of helping the less developed nations. They are seeking to do in months what others have taken years to accomplish. They wonder—rightly—why, if man can launch a sputnik, a child cannot be fed or cured of disease. They will look either to the United States or to the Soviet Union for the answer.

At present, we are ahead in the economic war with Russia. We have the know-how to stay ahead, but the real question is to what extent is the national will of the American people going to support this mutual security program.

This is not a question that is put to the people in the Soviet Union. Khrushchev writes the orders, issues them, and the Soviet foreign aid program begins. In fact, the Russian people are not even told about the loans and the goods pouring out to the less developed nations.

In the United States, it is the people who make the ultimate decision. This is why we have spent 7 months with Congress debating what we should do, with the spotlight of public and press on our proposals. I believe that the conclusion of this has been that we have in the mutual security program the one positive and constructive instrument that is designed to keep the world at peace—and that this is an objective which the people of the United States are determined to achieve, even at some sacrifice to themselves.

So, unlike the Soviet foreign aid administrator, I have a boss—a good boss—the American tax-payer.

³ Ibid., Mar. 10, 1958, p. 367.

I think we have learned we must develop with a sense of urgency the economic activities of this program because the weapons of destruction available today have exceeded man's ability to cope with them. The adage that there is a defense for every weapon seems rather outmoded in these days when it takes an atomic antimissile missile to stop a megaton ballistic missile.

Substituting Hope for Desperation

However, let's look for a moment at peoples and countries that are not concerned with military threats because of concentration on their urgent human requirements. Here our mutual security program has substituted hope for desperation in countless countries through technical assistance. True, we have made mistakes, and we will make more, but as the Senate Foreign Relations Committee has said, "Don't throw away the hammer just because you hit your thumb."

Friendly assistance is traditionally American in concept. The deep moral and humanitarian instincts of the American people—our humility as the world's most privileged people—are expressed in this effort to help others less fortunate. This is a typically American program. It is being carried out by Americans from every State and from all types of enterprise. We have 55 different American universities tackling some of the most difficult aspects of the job.

There have been a dozen or more groups of senior civic leaders from all walks of life studying the results. They all come to the same conclusion: Do more of it—do it better—and don't get discouraged.

We must improve; we must marshal the efforts of the entire free world; we must search for better methods. We cannot permit ourselves to measure the effort in dollars. The entire mutual security program this year will cost less than one-fourth of what we spend each year on liquor and tobacco.

The greatest asset we can pass on to the less developed countries is knowledge. Our biggest bank is our capacity for research. We must find the keys to unlock more of nature's secrets. We must learn how to gain from the sun, the soil, and the seas more energy, more foodstuffs, more fresh water to provide for the rapid population increase. We must find peaceful ways to heal the open wounds of the world.

As it is in the tide of human affairs, so it is in world affairs that nations are offered moments for greatness. The United States, with its partners in the free world, faces such a moment. The task is worthy of our talents and our faith. It is a challenge to which we must rise.

Military Sales Agreement Concluded With Indonesia

Press release 475 dated August 19

The United States and Indonesia have concluded an agreement for the sale to Indonesia of certain military equipment and services.

American Ambassador to Indonesia Howard P. Jones has informed the Department of State that an exchange of diplomatic notes 1 took place at Djakarta on August 13 between him and Foreign Minister Subandrio, according to which the U.S. Government will sell military equipment, materials, and services to the Government of Indonesia for payment in dollars or in Indonesian rupiah. The types and quantities of equipment and services involved will be determined by mutual agreement between the two countries.

The Government of Indonesia affirmed that the equipment and services purchased will be used solely for the maintenance of internal security and the legitimate national self-defense of Indonesia in accordance with the purposes and principles of the United Nations Charter. Indonesia also undertook not to relinquish title to any of the equipment or services purchased under the agreement except by mutual consent of the two Governments.

U.S. Still Awaiting Soviet Reply to Proposals on Easing Travel Bans

Press release 476 dated August 20

DEPARTMENT ANNOUNCEMENT

In a note delivered August 19, 1958, to the Soviet Embassy at Washington, the Department of State pointed out that the Soviet Government has

¹ Not printed.

failed to respond to U.S. proposals of November 11, 1957, and May 22, 1958, concerning the abolition or easing of travel restrictions and asked when a reply to these proposals might be expected. The U.S. note also pointed out that the Soviet Government stated approximately a year ago that it was ready to discuss the easing of travel restrictions on a reciprocal basis. Since that time there has been neither a concrete Soviet proposal nor a response to American proposals regarding this matter.

U.S. NOTE OF AUGUST 19

The Secretary of State presents his compliments to His Excellency the Ambassador of the Union of Soviet Socialist Republics and has the honor to refer to the notes of November 11, 1957 and May 22, 1958 from the Secretary of State to the Ambassador of the Soviet Union.

In the first of these notes the Government of the United States proposed the mutual abolition of all zones in the United States and the Soviet Union which are closed to travel or visits by citizens of the other country. In its note of May 22, 1958 the Government of the United States reiterated its firm preference for the abolition of closed zones and stated that it continues to await a reply to its proposal of November 11, 1957. With the objective of facilitating an agreement to open at least some closed areas, the Government of the United States also stated that it was prepared to earry out a partial easing of travel restrictions on a reciprocal basis. The Government of the United States put forward concrete proposals to this end which included an offer to open any areas in the United States now closed to Soviet travel in return for the opening to American travel of equivalent Soviet areas.

The Soviet Government has not yet replied to either proposal of the United States, notwithstanding the fact that the Ministry of Foreign Affairs stated in a note dated August 28, 1957 that it was ready to discuss the easing of travel restrictions on a reciprocal basis. In view of the stated willingness of the Soviet Government to discuss the easing of travel restrictions, the Gov-

ernment of the United States wishes to inquire when a reply to its proposals may be expected.

U.S. Policy on Nonrecognition of Communist China

Press release 459 dated August 11

Following is the text of a memorandum sent by the Department of State to its missions abroad on United States policy regarding nonrecognition of Communist China.

Policy toward Communist China has been an important issue since the Communists came to power there, and it is of critical significance to the United States and the free world today. In the United States the issue is a very real one to the vast majority of the people. As a result of Korean and Chinese Communist aggression in Korea, the United States suffered 142,000 casualties, bringing tragedy to communities all over the country. Nevertheless, despite the emotions thus engendered and the abhorrence of the American people for the brutality and utter lack of morality of Communist systems, the policy of the United States Government toward China has necessarily been based on objective considerations of national interest. It also reflects a continuing appraisal of all available facts.

Basically the United States policy of not extending diplomatic recognition to the Communist regime in China proceeds from the conviction that such recognition would produce no tangible benefits to the United States or to the free world as a whole and would be of material assistance to Chinese Communist attempts to extend Communist dominion throughout Asia. It is not an "inflexible" policy which cannot be altered to meet changed conditions. If the situation in the Far East were so to change in its basic elements as to call for a radically different evaluation of the threat Chinese Communist policies pose to United States and free-world security interests, the United States would of course readjust its present policies. However, the course of events in the Far East since the establishment of the Chinese Communist regime in 1949 has thus far confirmed the United States view that its interests and those of the free world are best served by withholding

¹ Bulletin of Dec. 9, 1957, p. 934, and June 16, 1958, p. 1008

^a *Ibid.*, Dec. 9, 1957, p. 936.

diplomatic recognition from the regime in Peiping.

The basic considerations on which United States policy toward China rests are twofold. First, the Soviet bloc, of which Communist China is an important part, is engaged in a long-range struggle to destroy the way of life of the free countries of the world and bring about the global dominion of communism. The Chinese Communist regime has made no secret of its fundamental hostility to the United States and the free world as a whole nor of its avowed intention to effect their downfall. Today its defiance of and attacks on the non-Communist world have reached a level of intensity that has not been witnessed since the Korean war. The second basic factor is that East Asia is peculiarly vulnerable to the Communist offensive because of the proximity of the free countries of that area to Communist China, the inexperience in self-government of those which have recently won their independence, their suspicions of the West inherited from their colonial past, and the social, political, and economic changes which inevitably accompany their drive toward modernization.

The Chinese Communists see the victory of communism in Asia as inevitable; and now that they control the vast population and territory of mainland China they are utilizing the advantages these give to encompass their ends. Chinese Communist leaders have shown by their words and their acts that they are not primarily interested in promoting the welfare of their people while living at peace with their neighbors. Their primary purpose is to extend the Communist revolution beyond their borders to the rest of Asia and thence to the rest of the world. Liu Shao-chi, the secondranking member of the Chinese Communist Party has said: "The most fundamental and common duty of Communist Party members is to establish communism and transform the present world into a Communist world." Mao Tse-tung himself has said that his regime's policy is "to give active support to the national independence and liberation movements in countries in Asia, Africa, and Latin America." That these are not empty words was shown by Chinese Communist aggression in Korea and provision of arms and other assistance to the Communist rebels in Indochina.

United States policy in Asia, as elsewhere in the world, is to promote the domestic welfare and to

strengthen the independence of free nations. Because of the proximity of many Asian nations to mainland China and the disparity in size and power between them and Communist China, this can be done only if the Communist threat is neutralized. The first need of United States policy in the Far East is to deter Communist aggression, else the free nations would be in grave danger of succumbing to Communist pressures before they had gathered the strength with which to resist them. The United States has sought to accomplish this by military assistance to the nations directly in the path of Chinese Communist expansion-Korea, Taiwan, and Viet-Nam-and by a system of mutual defense arrangements with other nations of the area. We have been successful in this effort, and since 1954 the Chinese Communists have not been able to make further gains through the open use of military force.

The measures the United States and its allies in Asia have taken to preserve the security of the free nations of the area are of vital interest to the other free nations of the world. Loss of the rest of East Asia to communism could have a disastrous effect on the free world's ability to resist effectively the encroachments of communism elsewhere. The consequences for Australia and New Zealand would be especially serious. Loss of the islands of the West Pacific and of the Southeast Asian peninsula would isolate these countries and place them in a strategically exposed and dangerous position.

Efforts to halt further Communist expansion cannot be confined to military deterrence alone. Countermeasures against Chinese Communist subversion and political infiltration are equally necessary. This is especially so as, since 1955, Peiping has increasingly resorted to propaganda, subversion, "people's diplomacy," and political maneuvering in its dealings with its Asian neighbors. Peiping seeks to win by this means what it apparently does not dare attempt through military conquest. The United States therefore considers that in preserving the peace and security of Asia it is as important to be alert to the threat of subversion as to that of open military attack.

In the effort to block Peiping's attempts to extend Communist rule in Asia the withholding of diplomatic recognition is an important factor. The extension of diplomatic recognition by a great power normally carries with it not only increased access to international councils but enhanced in-

ternational standing and prestige as well. Denial of recognition on the other hand is a positive handicap to the regime affected and one which makes it that much the more difficult for it to pursue its foreign policies with success. One basic purpose of United States nonrecognition of Communist China is to deny it these advantages and to that extent limit its ability to threaten the security of the area.

In the case of China there are special considerations which influence United States policy with regard to recognition. For one thing, although the Chinese Communists have seized the preponderant bulk of China, they have not completed their conquest of the country. The generally recognized legitimate Government of China continues to exist and in Taiwan is steadily developing its political, economic, and military strength. The Government of the Republic of China controls the strategic island of Taiwan and through its possession of a sizable military force—one of the largest on the side of the free world in Asiapresents a significant deterrent to renewed Chinese Communist aggression. Recognition of Communist China by the United States would seriously cripple, if not destroy altogether, that Government. On the other hand, continued United States recognition and support of the Republic of China enables it to challenge the claim of the Chinese Communists to represent the Chinese people and keeps alive the hopes of those Chinese who are determined eventually to free their country of Communist rule.

Recognition of Communist China by the United States would have an adverse effect on the other free governments of Asia which could be disastrous to the cause of the free world in that part of the world. Those nations which are elosely allied to the United States and are striving to maintain their independence on the perimeter of Chinese Communist power, especially Korea and Viet-Nam, would be profoundly confused and demoralized. They would interpret such action as abandonment of their cause by the United States. They might reason that their only hope for survival lay in desperate measures, not caring whether these threatened the peace of the area and the world. Governments further removed from the borders of China would see in American recognition of Communist China the first step in the withdrawal of the United States from the Far East. Without the support of the United States they would be unable long to defy the will of Peiping; and some would probably conclude that their wisest course would be speedily to seek the best terms obtainable from Peiping. Needless to say, these developments would place the entire free world position in Asia in the gravest peril.

Another special consideration in the case of China is that large and influential "overseas" Chinese communities exist in most of the countries of Southeast Asia. The efforts of these countries to build healthy free societies and to develop their economies would be seriously retarded if these communities were to fall under the sway of the Chinese Communists; and a grave threat of Communist subversion through these overseas communities would arise. Recognition of Communist China by the United States and the decline in the fortunes of the Republic of China which would inevitably result would have such a profound psychological effect on the overseas Chinese that it would make inevitable the transfer of the loyalties of large numbers to the Communist side. This in turn would undermine the ability of the host countries to resist the pressures tending to promote the expansion of Chinese Communist influence and power.

Still another factor which must be considered in the case of China is the effect which recognition of the Communist regime would have on the United Nations. Recognition of Peiping by the United States would inevitably lead to the seating of Peiping in that body. In the view of the United States this would vitiate, if not destroy, the United Nations as an instrument for the maintenance of international peace. The Korean war was the first and most important effort to halt aggression through collective action in the United Nations. For Communist China, one of the parties against which the effort of the United Nations was directed, to be seated in the United Nations while still unpurged of its aggression and defying the will of the United Nations in Korea would amount to a confession of failure on the part of the United Nations and would greatly reduce the prospects for future successful action by the United Nations against aggression. Moreover, the Republic of China is a charter member in good standing of the United Nations, and its representatives there have contributed importantly to the constructive work of that organization. If the representatives of the

Chinese Communist regime were to be seated in their place and given China's veto in the Security Council, the ability of that body in the future to discharge the responsibility it has under the charter for the maintaining of international peace and security would be seriously impaired.

Those who advocate recognition of the Chinese Communists often assume that by the standards of international law applied to such cases the Peiping regime is "entitled" to diplomatic recog-In the view of the United States diplomatic recognition is a privilege and not Moreover, the United States considers that diplomatic recognition is an instrument of national policy which it is both its right and its duty to use in the enlightened self-interest of the nation. However, there is reason to doubt that even by the tests often cited in international law the Chinese Communist regime qualifies for diplomatic recognition. It does not rule all China, and there is a substantial force in being which contests its claim to do so. Chinese Communist Party, which holds mainland China in its grip, is a tiny minority comprising less than 2 percent of the Chinese people, and the regimentation, brutal repression, and forced sacrifices that have characterized its rule have resulted in extensive popular unrest. To paraphrase Thomas Jefferson's dictum, this regime certainly does not represent "the will of the populace, substantially declared." Finally, it has shown no intention to honor its international obligations. One of its first acts was to abrogate the treaties of the Republic of China, except those it chose to continue. On assuming power it carried out a virtual confiscation without compensation of the properties of foreign nationals, including immense British investments notwithstanding the United Kingdom's prompt recognition of it. It has failed to honor various commitments entered into since, including various provisions of the Korean armistice and the Geneva accord on Viet-Nam and Laos, as well as the agreed announcement of September 1955 by which it pledged itself to permit all Americans in China to return home "expeditiously." 1

The United States policy toward recognition of Communist China is then based on a carefully considered judgment of the national interest. Nonrecognition of Peiping coupled with continued recognition and support of the Republic of China facilitates the accomplishment of United States policy objectives in the Far East. Recognition of Peiping would seriously hinder accomplishment of these objectives and would facilitate the advance of Communist power in Asia.

In the process of determining its policy toward China the United States has taken into account the various statements and arguments advanced by proponents of extending diplomatic recognition to Peiping. One of the most commonly advanced reasons for recognition is that reality must be "recognized" and 600 million people cannot be "ignored." While superficially appealing, both statements themselves overlook the realities of the situation. United States policy is, of course, based on full appreciation of the fact that the Chinese Communist regime is currently in control of mainland China. However, it is not necessary to have diplomatic relations with a regime in order to deal with it. Without extending diplomatic recognition the United States has participated in extended negotiations with Chinese Communist representatives, in the Korean and Indochina armistice negotiations, and more recently in the ambassadorial talks in Geneva. Similarly, United States policy in no sense "ignores" the existence and the aspirations of the Chinese people. Its attitude toward the people of China remains what it historically has been, one of friendship and sympathetic understanding. It is nonetheless clear that our friendship for the Chinese people must not be permitted to blind us to the threat to our security which the Communist regime in China now presents. Moreover, the United States is convinced that the Chinese Communist regime does not represent the true will or aspirations of the Chinese people and that our policy of withholding recognition from it is in actuality in their ultimate interest.

It is sometimes contended that by recognition of Communist China it would be possible to exert leverage on the Peiping regime which might ultimately be successful in weakening or even breaking the bond with Moscow. Unfortunately there is no evidence to support this belief, and there are important reasons why it is unlikely. The alliance between Moscow and Peiping is one of long standing; it traces its origin to the very founding of the Chinese Communist Party in 1921, in which

¹ For text, see Bulletin of Sept. 19, 1955, p. 456.

representatives of the Comintern played an important role. It is based on a common ideology and on mutually held objectives with respect to the non-Communist world. All recent evidence points to the closeness of the tie between the Chinese Communists and the U.S.S.R. rather than in the other direction. The Chinese Communists were outspoken in championing the armed intervention of the Soviets in Hungary and have given unqualified endorsement to the execution of Nagy and the other leaders of the Hungarian revolt. They were also leaders in the recent Communistbloc attack on Yugoslavia for its attempts to pursue national policies independent of Kremlin control. These and other facts make it apparent that the two partners in the Sino-Soviet alliance clearly realize their mutual dependence and attach great importance to bloc unity vis-a-vis the free world.

Furthermore, the alliance with the U.S.S.R. has a special importance for the Chinese Communists since it provides them with a dependable source of arms and military supplies. The Chinese Communist leaders, including Mao Tse-tung himself, came to power through their command of military force. They are therefore keenly conscious of the importance of military force to keep themselves in power against domestic and external opposition and to achieve the goals of their foreign policy. It is scarcely credible that they would dare risk any course of action which could lead to loss of their source of military supplies. For this reason alone it would seem unrealistic to believe that recognition of Peiping by the United States or any other leading nation would have the effect of tempting the Chinese Communists to play a "Titoist" role.

In fact, the opposite is quite likely to be the result. Were the United States to grant diplomatic recognition to Peiping—with all that this would entail by way of enhanced international prestige—its leaders would most likely feel confirmed in the correctness of their policies and the advantages of continued close cooperation with Moscow.

It is often alleged that recognition of Communist China is a necessary step in expanding trade relations with that country. For the United States this is of course not a consideration, since the United States embargoes trade with Peiping under the Trading With the Enemy Λ ct as a result of the Korean war. But even for countries which do desire to expand trade with mainland

China the facts do not support the contention that trade is dependent on recognition. To the contrary, Great Britain, which recognized Communist China in 1950, has found that she buys more goods from Communist China than Communist China buys from her. West Germany on the other hand does not recognize Peiping and enjoys a favorable trade balance with the mainland China. In any case, trade opportunities with Communist China are severely limited by a shortage of foreign exchange which is likely to persist for many years to come. Moreover, such trade would always be at the mercy of Communist policies. Peiping uses trade as a means of exerting pressure on the trading partner whenever it deems this to be expedient. A striking example is the case of Japan, where the Chinese Communists recently retaliated against Japanese refusal to make certain political concessions by cutting off all trade and even canceling contracts which had already been entered into. It would therefore seem that over the long run the advantages of trade with Peiping will prove more ephemeral than real.

An argument often heard is that the Chinese Communists are here "to stay"; that they will have to be recognized sooner or later; and that it would be the course of wisdom to bow to the inevitable now rather than be forced to do so ungracefully at a later date. It is true that there is no reason to believe that the Chinese Communist regime is on the verge of collapse; but there is equally no reason to accept its present rule in mainland China as permanent. In fact, unmistakable signs of dissatisfaction and unrest in Communist China have appeared in the "ideological remodeling" and the mass campaign against "rightists" which have been in progress during the past year. Dictatorships often create an illusion of permanence from the very fact that they suppress and still all opposition, and that of the Chinese Communists is no exception to this rule. The United States holds the view that communism's rule in China is not permanent and that it one day will pass. By withholding diplomatic recognition from Peiping it seeks to hasten that passing.

In public discussions of China policy one of the proposals that has attracted widest attention is that known as the "two Chinas solution." Briefly, advocates of this arrangement propose that the Chinese Communist regime be recognized as the

government of mainland China while the Government at Taipei remains as the legal government of Taiwan. They argue that this approach to the Chinese problem has the merit of granting the Communists only what they already control while retaining for the free world the militarily strategic bastion of Taiwan. However, it overlooks or ignores certain facts of basic importance. The Republic of China would not accept any diminution of its sovereignty over China and could be expected to resist such an arrangement with all the means at its disposal. If a "two Chinas solution" were to be forcefully imposed against its will, that Government's effectiveness as a loyal ally to the free-world-cause would be destroyed. Peiping, too, would reject such an arrangement. In fact, over the past year Chinese Communist propaganda has repeatedly and stridently denounced the "two Chinas" concept and, ironically, has been accusing the United States Government of attempting to put it into effect. Peiping attaches great importance to the eventual acquisition of Taiwan and has consistently reserved what it calls its "right" to seize Taiwan by force if other means fail. There is no prospect that it would ever acquiesce in any arrangement which would lead to the permanent detachment of Taiwan from China.

The "two Chinas" concept is bitterly opposed by both Peiping and Taipei. Hence, even if such a solution could be imposed by outside authority, it would not be a stable one. Constant policing would be required to avert its violent overthrow by one side or the other.

It is sometimes said that nonrecognition of Peiping tends to martyrize the Chinese Communists, thereby enabling them to pose, especially before Asian neutralists, as an innocent and injured party. It would be impossible to deny that there is some truth in this. But this disadvantage is far outweighed by the disadvantages that would result from following the opposite course. It is surely better that some neutralists, who are either unable or unwilling to comprehend the threat inherent in Chinese Communist policies, mistakenly consider Peiping unjustly treated than that the allies of the United States in Asia, who are the first line of defense against Chinese Communist expansion, should be confused and demoralized by what to them could only appear to be a betrayal of the common cause.

U.S. Reports on East-West Exchanges

Press release 483 dated August 22

DEPARTMENT ANNOUNCEMENT

The Department of State on August 22 issued a summary of progress for the first 6 months of the East-West exchange agreement concluded by the United States and the Union of Soviet Socialist Republics earlier this year.¹

The agreement on exchanges between the two countries in cultural, educational, and technical fields over a 2-year period was signed at Washington on January 27 by Ambassador William S. B. Lacy, on behalf of the United States, and Ambassador Georgi N. Zaroubin for the Soviet Union.

The summary, prepared by Ambassador Lacy, reports the exchanges to date which have conformed to the principle of reciprocity. This is at the heart of the exchange agreement. Although, at one time or another, the United States or the Soviet Union may be in the position of having completed more exchange visits—and this happens to be the case in respect to the United States at the moment—reciprocity will be accomplished during the 2-year period.

Exchanges have been effected in four specific areas: science and technology; education; cultural manifestations and athletics; and information and films. The interchanges are designed as a means of improving mutual understanding between the peoples of the United States and the Soviet Union. On the United States side, the exchanges are largely carried out under the anspices of nongovernmental organizations.

TEXT OF REPORT

Science and Technology

Interchanges between specialists in science and industrial technology have been numerous. A 19-man delegation of American steel experts has surveyed the Soviet steel industry, and 10 industrialists of the plastics industry have spent 30 days in

 $^{^{\}rm 1}\,{\rm For}$ text of agreement, see Bulletin of Feb. 17, 1958, p. 243.

the Soviet Union. Four agricultural delegations, organized by the Department of Agriculture, are presently in the U.S.S.R. Reciprocally, the Soviet delegations in steel and plastics are expected in the early fall, and at least three Soviet agricultural delegations will tour the United States in the late summer. A group of American women doctors visited the Soviet Union in May and June, and preparations are being made for exchanges of three medical delegations, to visit the U.S. and U.S.S.R. in the last quarter of 1958. Reciprocal exchanges in housing techniques, pharmaceutical manufacture, prestressed concrete, and automation have already taken place.

Since conclusion of the agreement, Soviet nationals have attended 11 scientific meetings in this country, while American scientists have participated in 4 conferences in the Soviet Union. Large American delegations of architects, astronomers, and IGY scientists have attended international meetings in the U.S.S.R, this summer. Dr. Detlev W. Bronk, president of the National Academy of Sciences, will discuss further reciprocal exchanges of research scholars and scientists with the president of the Soviet Academy of Sciences in the near future. This is expected to lead to longer term research studies in both countries by Soviet and American scholars. Contacts between scientists, doctors, and technicians are a key element in the exchange program, whether that contact takes place in this country or in the Soviet Union.

Education

Four delegations of American scholars and educators have already visited the Soviet Union in the last 6 months. Eight American university presidents were included in a group investigating higher education. The Commissioner of Education and other Health, Education, and Welfare officials studied Soviet secondary education and have produced a widely publicized and important report. A group of six American professors spent 3 weeks studying the teaching of the liberal arts and an equivalent delegation has discussed methods of instruction in the natural sciences with their Soviet colleagues. The reciprocal visits will take place in the fall when three Soviet delegations in education will be in this country, visiting our universities, colleges, and schools.

Forty American undergraduates are touring the

U.S.S.R. this summer under the agreement, and 20 Soviet youths are seeing many facets of life in this country. Six youth-newspaper editors on both sides have already been exchanged. Plans are well advanced for the matriculation of 20 Americans in Soviet universities this fall. An equal number of Soviet students will study here in seven of our universities. Reciprocal exchange of students and educators can have lasting effects.

Cultural Manifestations and Athletics

Cultural and athletic exchanges have been more publicized than those taking place under other sections of the agreement. The Moisevey Dance Company had a successful American tour, accompanied by excellent press notices. On the other hand, the Philadelphia Symphony Orchestra's concerts in the Soviet Union this spring were received, like the Boston Symphony in 1956, "with great delight and enthusiasm." Three American artists, singers Blanche Thebom and Leonard Warren and conductor Leopold Stokowski, have had successful appearances in the U.S.S.R., while two outstanding Soviet performers, pianist Emil Gilels and violinist Leonid Kogan, have toured this country. American participation in the Tehaikovsky Competition resulted in Van Cliburn's triumph which, more than any single cultural event, demonstrated the quality of American musicians to millions of Soviet citizens. American men's and women's basketball teams, the Washington University crew, a hockey team, and a 70-member track and field team, chosen by competition, have been in the U.S.S.R., while Soviet wrestlers and weightlifters have competed here. All these events have been accompanied by expressions on both sides of appreciation and good will.

Information, Tourism and Films

Regarding film exchanges, American representatives are scheduled to resume negotiations in Moscow in September. Agreement in principle has already been reached on a number of points, and lists of films have been exchanged.

Exchanges of exhibits, including an exhibit on the peaceful uses of atomic energy, and an exhibit in "science, technology, and culture" are under discussion.

Arrangements have been concluded by HEW to

exchange textbooks and university and school curricula.

In radio and television, American companies have submitted to the Soviet Embassy comprehensive lists of programs for sale or exchange. The Department has delivered documentaries on TV film for selection by the Soviets.

It is estimated that over 3,000 tourists will visit the Soviet Union this summer; these include Americans from every walk of life. A few Soviet tourists will be in the United States in the late summer, and American Express has opened an office in Moscow to facilitate tourist traffic.

U.S. To Reduce Controls on Exports to Soviet Bloc

The Department of Commerce on August 14 announced that significant changes are being made in U.S. export controls as a result of agreements reached in recent consultations between the United States and friendly foreign countries.

These changes will lead to a net reduction of U.S. controls. There will also be additions to the list of controlled commodities as a result of freeworld scientific and technological progress. The agreements reached are recommendations to the participating governments for minimum levels of control. Decisions as to the level of U.S. controls will take additional time. These new agreements followed a review of international strategic controls, which took place at Paris during the past 5 months between the United States and 14 other nations of the free world. The international controls apply to all countries of the Sino-Soviet bloc.

The principal aim of U.S. export controls is to prevent export of goods which would build up the Sino-Soviet war machine. This policy will continue, and the total U.S. embargo against shipments to Communist China, north Korea, and north Viet-Nam remains unchanged.

Up to now, the Department's Bureau of Foreign Commerce generally has denied Soviet-bloc applications to export goods listed on its Positive List of Commodities. Since the list is currently being revised, BFC is not now able to advise exporters specifically in advance as to which items are likely to be approved for export to Eastern Europe.

President Reduces Tariff Rate on Imported Hatters' Fur

White House press release dated August 14

WHITE HOUSE ANNOUNCEMENT

The President on August 14 issued a proclamation carrying out the recommendation of the United States Tariff Commission with respect to the tariff rate on imported hatters' fur. Under the President's proclamation, the tariff rate on imported hatters' fur will be 15 percent ad valorem.

As a result of an escape-clause action in 1952, the rate of duty on hatters' fur was changed from 15 percent ad valorem to 47.5 cents per pound (but not less than 15 percent nor more than 35 percent ad valorem). Subsequently, developments in the hatters' fur trade were periodically reviewed by the Tariff Commission under the provisions of Executive Order 10401 to determine whether and to what extent the tariff modification of 1952 need be continued in order to prevent serious injury or the threat of serious injury to the domestic industries producing hatters' fur. The Commission, on its own motion, decided on February 4, 1958, to institute a formal investigation. It reported to the President on June 26, 1958, its unanimous finding that the modification of the tariff concession was no longer necessary.

PROCLAMATION 3255 2

RESTORATION OF TRADE AGREEMENT CONCESSION AND REDUCED RATE OF DUTY WITH RESPECT TO HATTERS' FURTERMINATION OF PROCLAMATION No. 2960 ³

1. Whereas, pursuant to the authority vested in him by the Constitution and the statutes, including section 350(a) of the Tariff Act of 1930, as amended (19 U. S. C. 1351), the President, on October 30, 1947, entered into a trade agreement with certain foreign countries, which consists of the General Agreement on Tariffs and Trade and the related Protocol of Provisional Application thereof, together with the Final Act Adopted at the Conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment (61 Stat. (Parts 5 and 6) A 7, A 11, and

¹ Bulletin of Jan. 21, 1952, p. 96.

² 23 Fed. Reg. 6372.

³ 17 F. R. 187, 265; 3 CFR, 1952 Supp., p. 18. [Footnote in original.]

A 2050), and by Proclamation No. 2761A of December 16, 1947 (3 CFR, 1943-1948 Comp., p. 139), proclaimed such modifications of existing duties and other import restrictions of the United States and such continuance of existing customs or excise treatment of articles imported into the United States as were then found to be required or appropriate to carry out such trade agreement on and after January 1, 1948:

2. Whereas item 1520 in Part I of Schedule XX (Geneva-1947) of the General Agreement on Tariffs and Trade read as follows:

| Tariff Act of 1930, paragraph | Description of Product | Rate of Duty |
|-------------------------------------|--|--------------|
| 1520 | Hatters' furs, or furs not on the skin, prepared for hatters' use, including fur skins carroted. | 15% ad val. |

3. Whereas, after investigation and report to the President by the United States Tariff Commission pursuant to section 7 of the Trade Agreements Extension Act of 1951 (19 U. S. C. 1364), the President by Proclamation No. 2960 of January 5, 1952 (3 CFR, 1952 Supp., p. 18), invoked Article XIX of the General Agreement and modified the tariff concession therein with respect to the products described in the said item 1520 by substituting for the rate "15% ad val." the rate "47½¢ per lb., but not less than 15% nor more than 35% ad val.", effective February 9, 1952;

4. Whereas, pursuant to Proclamation No. 2960, since February 9, 1952, the products described in item 1520 have been subject to the rate of duty of 47½ cents per pound, but not less than 15 per cent nor more than 35 per cent ad valorem; and

5. Whereas, after investigation, including a hearing, pursuant to paragraph 2 of Executive Order No. 10401 of Oetober 14, 1952 (3 CFR, 1952 Supp., p. 105), the United States Tariff Commission has reported to me its finding that the modification of the concession as set forth in the third recital of this proclamation by Proclamation No. 2960 no longer remains necessary in order to prevent or remedy serious injury or the threat thereof to the domestic industry producing products like or directly competitive with the products described in item 1520 and has recommended that the original concession, as set forth in the second recital of this proclamation, be restored in full;

Now, THEREFORE, 1, DWIGHT D. EISENHOWER, President of the United States of America, acting under the authority vested in me by section 350 of the Tariff Act of 1930, as amended, and in accordance with the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended, and of Article XIX of the General Agreement on Tariffs and Trade, do hereby terminate the said Proclamation No. 2960, effective at the close of business September 13, 1958, to the end that item 1520 as originally set forth in Part 1 of Schedule XX (Geneva-1947) of the General Agreement on Tariffs and

Trade shall thereafter be applied in accordance with the provisions of the said Proclamation No. 2761A of December 16, 1947.

In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the City of Washington this fourteenth day of
August in the year of our Lord nineteen hun[SEAL] dred and fifty-eight, and of the Independence
of the United States of America the one
hundred and eighty-third.

Dury Lot Dien hour

By the President:
Christian A. Herter,
Acting Sceretary of State.

U.S. To Open Information Center at Canadian Exhibition

The Department of Commerce announced on August 14 the first participation by the U.S. Government in the Canadian National Exhibition, which has been held annually at Toronto since 1879. The 80th Canadian National Exhibition, with an expected attendance of 3 million tourists and businessmen, will be open to the public August 20 through September 6.

A U.S. Information Center is scheduled to be opened officially on August 18 by U.S. Ambassador to Canada Livingston T. Merchant. August 18 and 19 have been set aside at the exhibition as special "businessmen's days" of consultation.

The purpose of the center is to supply information on the U.S. market and to extend consultative service on specific trade problems. It will contain two private conference offices, a general reception area with graphic panels, and a reading room containing an extensive commercial library of magazines and publications contributed for government use by the U.S. business community. The graphic displays point up the partnership between two nations in friendship, commerce, and navigation, as demonstrated by tourism, intracontinental highways and railroads, and the recently opened Saint Lawrence Seaway. Emphasis is placed on the "independence plus interdependence" of Canada and the United States, which, as each other's best customers in trade and the exchange of tourists, are being brought constantly closer together in the cause of freedom and greater economic opportunity.

In 1957 the United States received \$3 billion worth of Canada's \$5 billion total export trade. Canada imported goods valued at \$5.6 billion, and \$4 billion of that total came from the United States. Taking second place among Canada's most active trading partners is the United Kingdom, followed by the Federal Republic of Germany, Venezuela, and Japan. Among Canada's leading exports to the United States are newsprint, woodpulp, lumber, metals, crude petroleum, whisky, and fish. In exchange, Canada imports electric apparatus, iron and steel manufactures, and many types of machinery, including tractors and automotive parts.

U.S. Employees Transferring to IAEA To Retain Civil-Service Rights

WHITE HOUSE ANNOUNCEMENT

White House press release dated July 26

The President has issued an Executive order implementing the provisions of the International Atomic Energy Participation Act of August 27, 1957, with respect to the reemployment rights and protection of employee benefits of U.S. Government personnel who transfer to the International Atomic Energy Agency.

The International Atomic Energy Participation Act assures retirement and insurance protection to Federal personnel who transfer to the International Atomic Energy Agency with the right to reemployment in their former Federal positions within 90 days after termination of employment with the Agency, provided such employment does not exceed 3 years' duration, and authorizes the President to prescribe such regulations as may be necessary for the protection of such other civil-service rights and privileges as may be appropriate.

The Executive order specifies that for all appropriate civil-service purposes the employee shall be entitled to service credit for the period of his employment by the International Agency not in excess of 3 years; that the service credit, insurance, and retirement benefits of career employees shall continue in effect during the 90-day reemployment period; and that such an employee shall have the

right of appeal to the Civil Service Commission for mandatory enforcement of his reemployment rights to his former position or one of like seniority, status, and pay. Sick leave to the credit of the employee is also to be restored upon reemployment. The Executive order also authorizes the Civil Service Commission to issue further regulations as may be needed to accomplish the purpose of the act and the order.

EXECUTIVE ORDER 10774 1

PROVIDING FOR THE PROTECTION OF THE CIVIL-SERVICE RIGHTS OF FEDERAL PERSONNEL WITO TRANSFER TO THE INTERNATIONAL ATOMIC ENERGY AGENCY

By virtue of the authority vested in me by section 1753 of the Revised Statutes of the United States (5 U. S. C. 631), the Civil Service Act (22 Stat. 403; 5 U. S. C. 632 et seq.), section 301 of title 3 of the United States Code, and section 6 (c) of the International Atomic Energy Agency Participation Act of 1957 (71 Stat. 455), and as President of the United States, it is ordered as follows:

Section 1. Subject to the restrictions and conditions set forth herein, the United States Civil Service Commission is designated and empowered to exercise the anthority vested in the President by section 6 (c) of the International Atomic Energy Agency Participation Act of 1957 (hereinafter referred to as the Act) to prescribe such regulations as may be necessary to carry out the provisions of section 6 of the Act and to protect the retirement, insurance, and other civil-service rights and privileges of any Federal employee, Presidential appointee, or elected officer who enters the employ of the International Atomic Energy Agency (hereinafter referred to as the Agency) pursuant to the provisions of section 6 of the Act.

Sec. 2. Consistent with the provisions of section 6 of the Act and this order, and to the extent provided in regulations prescribed pursuant to section 1 of this order, a Federal employee, a Presidential appointee, or an elected officer who enters the employ of the Agency pursuant to section 6 of the Act after August 27, 1957, shall be entitled to the protection and benefit of the rights and privileges specified in the Act and of such other civil-service rights and privileges to which he would have been entitled had he continued his employment in his position in the Federal service.

Sec. 3. The regulations prescribed pursuant to section 1 of this order shall provide for the following protections and benefits:

(a) The retention by a Federal employee of coverage and all rights and benefits under the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, during the re-employment period in which the employee is properly exercising or could exercise the re-employment right

¹ 23 Fed. Reg. 5681.

provided by section 6 (a) of the Act. During such reemployment period, the employee shall be considered as on leave without pay for retirement and insurance purposes: Provided, that nothing in this subsection shall preclude the vesting of retirement or insurance coverage for a Federal employee, a Presidential appointee, or an elected officer in the event of his death during the first three consecutive years of his employment with the Agency or, in the case of a Federal employee, during the re-employment period referred to in this subsection.

(b) The entitlement of a Federal employee to the rate of basic compensation to which he would have been entitled had he remained in the Federal service when he is re-employed pursuant to section 6 (a) of the Act, and the entitlement of a Presidential appointee or an elected officer to such rate of basic compensation when he is re-employed in the Federal position which he left or one of like seniority, status, and pay within ninety days from the date of his separation from the Agency following a term of employment not extending beyond the first three consecutive years from the date of his entering the employ of the Agency.

(c) The entitlement of a Federal employee upon reemployment as prescribed in subsection (b) of this section, or of a Presidential appointee or an elected officer who is re-employed within ninety days from the date of his separation from the Agency following a term of employment not extending beyond the first three consecutive years from the date of his entering the employ of the Agency, to service credit for all appropriate civil-service purposes for the period commencing with his separation from his Federal position and ending with the termination of his service with the Agency, and, in the case of a Federal employee, for the additional period between the termination of his service with the Agency and his re-employment.

(d) The restoration of the sick-leave account of a Federal employee, a Presidential appointee, or an elected officer to its status at the time he left the Federal service if he is re-employed as prescribed in subsection (e) of this section.

(e) The right of appeal to the Civil Service Commission by any Federal employee who enters the employ of the Agency pursuant to section 6 (a) of the Act and who is denied re-employment. The decision of the Commission on the appeal shall be final, and the department or agency concerned shall take the action necessary to effectuate the decision of the Commission.

Sec. 4. Regulations prescribed pursuant to section 1 of this order need not be limited in their coverage and application to the protections and benefits set forth herein.

Sec. 5. Prior to the re-employment of a Federal employee pursuant to section 6 (a) of the Act and during the employment of a Presidential appointee or an elected officer pursuant to section 6 (b) of the Act, all computations under section 6 of the Act, this order, or regulations prescribed pursuant to section 1 of this order shall be made in the same manner as they would have been if the rate of basic compensation received by the Federal

employee, Presidential appointee, or elected officer concerned on the last day of his Federal service had continued without change.

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The White House, July 25, 1958

THE CONGRESS

President Vetoes Bill Increasing Duty on Treated Seed Wheat

Following is the text of a message from President Eisenhower to the House of Representatives.

White House press release dated August 20

To the House of Representatives: I return herewith, without my approval, H. R. 11581, "To remove wheat for seeding purposes which has been treated with poisonous substances from the 'unfit for human consumption' category for the purposes of section 22 of the Agricultural Adjustment Act of 1933, and for other purposes."

Virtually all of the seed wheat entering the United States comes from Canada. Much of the wheat so imported is treated with poisonous substances which act as inhibitors of wheat diseases and insects. As such wheat is unfit for human consumption, it is so classified under the Tariff Act. Under the classification, "wheat unfit for human consumption," treated seed wheat is dutiable at five percent ad valorem (about ten cents per bushel at current prices) as compared with a duty of 21 cents per bushel on all other imported wheat, including untreated seed wheat. The present measure would reclassify treated seed wheat and put it in the straight "wheat" classification, thereby making it subject to the higher rate of duty.

The duty on wheat unfit for human consumption was reduced from 10 to 5 percent ad valorem in a bilateral agreement with Canada effective in 1939. The present rate was bound under the General Agreement on Tariffs and Trade in 1948. These agreements recognize the right of the United

States to raise duties or impose quotas should imports, at current rates of duty, of wheat unfit for human consumption seriously injure or threaten injury to domestic producers. Similar protection is provided under these international agreements and the Agricultural Adjustment Act with respect to imports which interfere with programs of the Department of Agriculture.

There is, in the record, no claim that the present rate of duty is imposing a hardship on anyone, or interfering with any program of the Department of Agriculture. Our laws provide a method for making and sustaining such a claim, which has not been invoked in this case. While, in some respects, seed wheat classifications may be anomalous, this seems a scant basis for taking an action which, I believe, would violate our international agreements, and be inimical to the trade policy of the United States, the interests of our farmers, and our relations with Canada.

The United States is constantly working to reduce the barriers to world trade. The latest manifestation of this effort is the recent and overwhelming endorsement by the Congress of a four-year extension of the Trade Agreements Act. Tariff reduction without serious hardship to our domestic producers is an integral part of our trade policy. Approval of H. R. 11581 would be inconsistent with this policy and would not be understood by our trading partners, particularly Canada.

DWIGHT D. EISENHOWER

THE WILLE HOUSE, August 20, 1958.

President Approves 4-Year Extension of Trade Agreements Program

Statement by President Eisenhower

White House press release dated August 20

I have today approved H. R. 12591 extending the reciprocal trade agreements program for a four-year period. This legislation represents a firm, forward step on the road to a stronger America in a world at peace.

While I believe that a five-year extension would have best served the interests of the United States.

yet the Congress is to be particularly commended for enacting the longest extension in the history of the trade agreements program. The United States now has a lengthened opportunity, through this medium, to enlarge its own output and employment. In addition, the free nations are now assured of a continuity in United States trade policy that will make possible new international negotiations to promote mutually advantageous commercial exchange and increased world productivity.

As the authority conferred by this important measure is used, it will further our own nation's domestic interests and will promote the economic strength, solidarity and security of the free and independent nations.

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Foreign Aid Construction Projects. Hearings before a subcommittee of the House Committee on Government Operations. Part I, Foreign Aid Construction Projects, March 24-June 6, 1958; Part II, Field Survey of Construction Projects and Other Foreign Aid Operations, November 13-30, 1957. 1,301 pp.

Mutual Security Appropriations for 1959. Hearings before the Senate Committee on Appropriations on H. R. 13192, an act making appropriations for mutual security for the fiscal year ending June 30, 1959, and for other purposes. July \$-18, 1958, 564 pp.

Communist Use and Abuse of United States Passports. Hearing before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Committee on the Judiciary, July 9, 1958. 23 pp.

Importation of Wild Animals. Hearings before a subcommittee of the Senate Committee on Agriculture and Forestry on H. R. 12126, an act to provide further protection against the introduction and dissemination of livestock diseases, and for other purposes. July 22-23, 1958. 72 pp.

Saline Water Program (Research and Development), Thirty-first report by the House Committee on Government Operations. H. Rept. 2551, August 12, 1958, 30 pp.

Providing for Participation of the United States in the World Science-Pan Pacific Exposition. Report to accompany 8, 3680. H. Rept. 2561, August 12, 1958. 4 pp.

Payment of War Damage Claims Against Germany and Return of Vested Assets to American Citizens. Report to accompany S. 411. S. Rept. 2358, August 13, 1958, 24 pp.

Authorizing a Study of United States Participation in International Health, Cultural, and Educational Programs. Report to accompany S. Res. 347. S. Rept. 2360, August 13, 1958. 5 pp.

Participation of the United States in the International Criminal Police Organization. Report to accompany H. R. 13354. H. Rept. 2577, August 13, 1958. 5 pp.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of International Conferences and Meetings¹

Adjourned During August 1958

Session.

| U.N. Trusteeship Council: 22d Session | New York | June 9-Aug. 1 June 24-Aug. 1 July 1-Aug. 21 July 21-Aug. 1 |
|---|---|---|
| ITU International Radio Consultative Committee (CCIR): Study Group V (Tropospheric Propagation). | Guinea Geneva | July 21-Aug. 6 |
| 4th FAO Inter-American Meeting on Livestock Production. ITU International Radio Consultative Committee CCIR: Study Group VI Ionospheric Propagation. | Kingston, Jamaica Geneva | July 22-Aug. 1 July 23-Aug. 6 |
| Ad Hoc Committee for Revision of the Agreement for Establishment of the Caribbean Commission. | Trinidad | July 24-Aug. 4 |
| Interparliamentary Union: 47th Conference FAO ECE Study Group on Application of Machinery to Forest Work . U.N. ECAFE Seminar on Regional Planning in Relationship to Urbanization and Industrialization. | Rio de Janeiro | July 24-Aug. 1 July 25-Aug. 1 July 28-Aug. 8 |
| ITU International Radio Consultative Committee CCIR: Study Group III Fixed Service Systems: | Geneva | July 30-Aug. 15 |
| International North Pacific Fisheries Commission: Interim Meeting ITU International Radio Consultative Committee CCIR: Study Group I Transmitters and Study Group II Receivers . | Hawaii | Aug. 6-13 Aug. 7-21 |
| U.N. General Assembly: 3d Emergency Special Session International Union of Mathematics: 3d General Assembly U.N. ECE Inland Transport Committee: Working Party on Transport | New York St. Andrews, Scotland. Geneva. | A.g. \$-21 Aug. 11-13 Aug. 11-15 |
| of Dangerous Goods. U.N. ECAFE Working Party on Housing and Building Materials: 5th | Bangkok | Aug. 13-19 |
| Session. International Astronomical Union: 10th General Assembly. 11th International Congress of Mathematicians. UNESCO Intergovernmental Copyright Committee: 3d Session. ITU International Radio Consultative Committee CCIR: Study Group | Moscow | Aug. 13-20 Aug. 14-21 Aug. 18-23 Aug. 18-29 |
| IX Radio Relay Systems . U.N. Refugee Fund: Working Party . ITU International Radio Consultative Committee CCIR: Study Group VII Standard Frequencies and Time Signals . | Geneva | Aug. 21-28 Aug. 22-29 |
| 6th International Conference of Onomastic Sciences. International Union of Theoretical and Applied Mechanics. PAIGH Directing Council: 3d Meeting. | Munich. Oxford | Aug. 24–28 Aug. 24–29 Aug. 25–31 |
| In Session as of August 31, 1958 | | |
| Brussels Universal and International Exhibition of 1958 | Brussels | Apr. 17- Aug. 19- |
| 19th International Exhibition of Cinematographic Art 12th Annual Edinburgh Film Festival 19th International Exhibition of Feature Films U.N. Advisory Committee on Peaceful Uses of Atomic Energy: 9th | Venice | Ang. 24- Ang. 24- Ang. 24- Ang. 29- |

¹ Prepared in the Office of International Conferences, Aug. 20, 1958. Asterisks in licate tentative dates. Following is a list of abbreviations: CCIR, Comité consultatif international des radio communications: ECAFE, Economic Commission for Asia and the Far East: ECE, Economic Commission for Europe: ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization: GATT, General Agreement on Tariffs and Trade: ICAO, International Civil Aviation Organization: ICEM, International Committée for European Migration: ILO, International Labor Organization: ITU, International Telecommunication Union: PAIGH, Pan American Institute of Geography and History: PASO, Pan American Sanitary Organization: U.N., United Nations: UNESCO, United Nations Educational, Scientific and Cultural Organization: UNICEF, United Nations Children's Fund: WHO, World Health Organization: WMO, World Meteorological Organization.

September 8, 1958 397

Calendar of Meetings—Continued

Scheduled September 1 Through November 30, 1958

| ICAO Development/Implementation Panel for the Meteorological Operational Telecommunications Network for Europe. | Paris | Sept. 1- |
|--|---|---|
| International Union of Biochemistry: 3d General Assembly 2d U. N. International Conference on Peaceful Uses of Atomic Energy . U.N. ECAFE Working Party on Economic Development and Planning: | Vienna | Sept. 1– Sept. 1– Sept. 2– |
| 4th Session. UNICEF Executive Board and Program Committee International Statistical Institute: Special Meeting 6th International Congress of Tropical Medicine and Malaria World Power Conference: 12th Sectional Meeting FAO Technical Meeting on the Costs and Earnings of Fishing Enterprises. | New York Brussels Lisbon Montreal London | Sept. 2- Sept. 3- Sept. 5- Sept. 7- Sept. 8- |
| FAO Meeting of Governmental Experts on the Use of Designations, Definitions, and Standards for Milk and Milk Products. | Rome | Sept. 8- |
| 18th International Congress of Ophthalmology U.N. International Meeting on Copper ICAO Legal Committee: Subcommittee on Legal Status of the Aircraft U.N. International Meeting on Lead and Zinc 6th International Congress on Large Dams FAO Meeting of Experts on National Dairy Policies UNESCO Executive Board: 51st Session U.N. General Assembly: 13th Session FAO International Chestnut Commission: 4th Session 11th World's Poultry Congress 15th Pan American Sanitary Conference and 10th Meeting of the Regional | Brussels London Montreal London New York Rome Paris New York Yugoslavia México, D.F. San Juan | Sept. 8- Sept. 8- Sept. 9- Sept. 11- Sept. 15- Sept. 15- Sept. 16- Sept. 21- Sept. 21- Sept. 21- |
| Committee of WHO for the Americas. International Atomic Energy Agency: 2d General Conference | Vienna | Sept. 22- |
| GATT Intersessional Committee U.N. Sugar Conference U.N. ECAFE Working Party on Coordination of Transport South Pacific Commission: 18th Session | Geneva | Sept. 22– Sept. 22– Sept. 23– Sept. 26– |
| FAO/UNICEF Joint Policy Committee | Rome | Sept. 29- Sept. 29- Sept. 29- |
| Commonwealth Specialist Subcommittee of Service Psychologists 1TU International Administrative Telephone and Telegraph Conference . U.N. ECE Coal Committee and Working Parties | Melbourne | Sept. 29– Sept. 29– Sept. 29– Sept. 29– Oct. 1– |
| FAO International Rice Commission: 6th Session International Monetary Fund, International Bank for Reconstruction and Development, and the International Finance Corporation: Annual Meetings of Boards of Governors. | Tokyo | Oct. 3- Oct. 6- |
| 4th FAO Regional Conference for Asia and Far East Diplomatic Conference for Revision of the Convention of the Union for | Tokyo | Oct. 6- Oct. 6- |
| Protection of Industrial Property. PASO Executive Committee: 36th Meeting | San Juan | Oct. 6- Oct. 7- Oct. 7- |
| FAO General Fisheries Council of the Mediterranean: 5th Meeting U.N. ECE Timber Committee: 16th Session | Rome | Oct. 13- Oct. 13- Oct. 16- Oct. 18- |
| and Southeast Asia (Colombo Plan): 10th Meeting. Preliminary Working Group Officials Meeting Ministerial Meeting ILO Meeting of Experts on Teachers' Problems ICAO Rules of the Air and Air Traffic Control/Search and Rescue Divisional Meeting. | Seattle | Oct. 20– Oct. 27– Nov. 10– Oct. 20– Oct. 21– |
| FAO Group on Coconut: 2d Session . U.N. ECAFE Subcommittee on Iron and Steel: Sth Session FAO Council: 29th Session ILO Meeting of Experts on the International Classification of Radiographs of Pneumoconioses. | Manila | Oct. 21- Oct. 21- Oct. 27- Oct. 27- |
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Scheduled September 1 Through November 30, 1958—Continued

| U.N. ECE Committee on Development of Trade and East-West Trade Consultations. | Geneva | Oct. 27- |
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| UNESCO Executive Board: 52d Session U.N. International Wheat Conference: Preliminary Meeting. UNESCO Directors of National Cultural Relations: 2d Meeting. South Pacific Commission: Special Conference on Tuberculosis. | Paris | Oct. 27- Oct. 28- Oct. 28- Oct. 31- |
| International North Pacific Fisheries Commission: Committee on Biology and Research. | Tokyo | October |
| International Sugar Council: 16th Session International Sugar Council: Executive Committee International Sugar Council: Statistical Committee International Sugar Council: Statistical Committee Technical Discussions on Prevention of Surprise Attack 6th Inter-American Congress of Radiology ILO Governing Body and Committees: 140th Session International North Pacific Fisheries Commission: 6th Session International North Pacific Fisheries Commission: 6th Session ICEM Executive Committee: 11th Session U. N. ECAFE Highway Subcommittee: 4th Session U.N. ECE Housing Committee: 17th Session U. N. ECE Housing Committee: 17th Session and Working Parties U. N. International Wheat Conference: Preparatory Committee 7th International Congress of Leprology ICEM Council: 9th Session U. N. ECAFE Committee on Trade: Working Party on Customs Admin- | Geneva Geneva Geneva Geneva Geneva Lima Geneva Tokyo Guatemala City Geneva Bangkok Paris Geneva London Tokyo Geneva Bangkok Bangkok | October October October October Nov. 2- Nov. 3- Nov. 4- Nov. 4- Nov. 4- Nov. 4- Nov. 6- Nov. 10- Nov. 12- Nov. 12- Nov. 12- |
| istration. FAO Latin American Regional Conference FAO/WHO Regional Nutrition Meeting (Near East) Child International Welfare Study Conference Customs Cooperation Council: 13th Session U. N. ECE Committee on Agricultural Problems: 10th Session U. N. ECAFE Working Party of Railway Mechanical Engineers International Fisheries Convention 1946: 7th Meeting of Permanent Commission. Conference on Revision of Agreement for Establishment of the Caribbean Commission. | | Nov. 17- Nov. 18- Nov. 23- Nov. 24- Nov. 24- Nov. 24- Nov. 25- Nov. 28- |
| FAO Cocoa Study Group: Executive Committee | Rome | November November |

U.S. Delegations to International Conferences

6th Congress of Onomastic Sciences

The Department of State announced on August 22 (press release 487) that Meredith F. Burrill, Executive Secretary of the Board on Geographic Names, Department of the Interior, had been designated U.S. delegate to the 6th Congress of Onomastic Sciences, which will convene at Munich August 24. The onomastic sciences are concerned with names.

The International Committee of Onomastic Sciences was founded at Brussels in July 1949 at the 3d International Congress of Toponymy (geographic names) and Anthroponymy (personal names) to organize international congresses

of onomastic sciences. The primary aim of the congresses is the exchange and diffusion of the knowledge in the field. The congresses, since 1949, have taken an interest in the international standardization of geographic names, and this subject will receive further attention at this congress.

The U.S. groups concerned with these congresses are the interdepartmental Board on Geographic Names and the Department of Interior, which have the responsibility of standardizing domestic and foreign geographic names for use on maps and in other publications of the Federal Government. The Board includes representatives of the Agriculture, Interior, Commerce, Post Office, State, Navy, Army, and Air Force Departments, the Library of Congress, and the Government Printing Office.

September 8, 1958 399

This Congress will consider, among other things, reports of a commission and subcommissions on international standardization. It will also discuss hydronymy (river names), anthroponymy, and onomastics as an auxiliary science.

These congresses are held every 3 years, the 5th Congress having been held at Salamanca, Spain, in April 1955. Its membership consists of representatives of onomastic sciences in 41 countries.

7th Meeting of International Scientific Committee for Trypanosomiasis Research

The Department of State announced on August 22 (press release 485) that Roy F. Fritz, who has been handling epidemiologic matters of the Public Health Division, International Cooperation Administration, has been designated U.S. observer to the 7th meeting of the International Scientific Committee for Trypanosomiasis Research, which will be held at Brussels August 25–30.

The International Scientific Committee for Trypanosomiasis Research is a congress of doctors and medical researchers interested in this problem. It is sponsored by the Commission for Technical Cooperation in Africa South of the Sahara. These meetings, which are held every 2 years, consist of 60 or more delegates invited from approximately 900 people throughout Africa working on trypanosomiasis.

The Congress will discuss the results of vaccinations against the disease throughout Africa, the photosensitivity of trypanosomiasis cells, the evolution of the treatment of trypanosomiasis in the last 10 years, and the results obtained from treatment with new drugs. It will also choose major studies to be made for the next reunion.

2d U.N. International Conference on Peaceful Uses of Atomic Energy

The Department of State announced on August 20 (press release 480) that President Eisenhower on that day had designated the following-named persons as representatives of the United States to the second United Nations International Conference on Peaceful Uses of Atomic Energy to be held at Geneva, Switzerland, September 1-13, 1958;

Lewis L. Strauss, chairman, Special Assistant to the President on Atomic Affairs

Willard F. Libby, vice chairman, Commissioner, U.S. Atomic Energy Commission James R. Killian, Jr., Special Assistant to the President for Science and Technology

Robert McKinney, U.S. Representative to the International Atomic Energy Agency

Isidor I. Rabi, U.S. Representative, United Nations Advisory Committee to the Secretary-General on the Peaceful Uses of Atomic Energy, and Higgins Professor of Physics, Columbia University

Representatives of the congressional Joint Committee on Atomic Energy will also attend, and the delegation will have an advisory scientific group of approximately 200 scientists.

This Conference is a direct outgrowth of the first Conference held in 1955. The United Nations, noting the impressive results of the 1955 Conference, passed a resolution on December 3, 1955, calling for the second Conference.

Formal invitations to participate in the 1958 Conference were sent by the United Nations to 88 governments and the affiliated specialized agencies. Sixty-one governments have indicated they will participate in the Conference. Plans for the Conference have been developed by a 7-nation advisory committee, including scientists from Brazil, Canada, France, India, the U.S.S.R., the United Kingdom, and the United States. Sigvard Eklund, Secretary General of the Conference, has appointed a 21-member scientific secretariat from 13 countries to assist in the preparation of the Conference agenda. Specific subjects that will receive major attention at the Conference are basic nuclear physics, including nuclear fusion, nuclear reactors, chemistry, radioisotopes, health and safety problems, raw materials, and metallurgy.

The United States will present at the Conference more than 700 papers, of which approximately 200 will be given orally while the rest will appear in the printed procedure. The U.S. exhibit will cover about 36,000 square feet of space and will include four major sections: basic sciences, life sciences, fission reactors, and controlled fusion research. A total of 44 films on many aspects of atomic energy utilization have been produced by the United States for the Conference, and a U.S. Technical Information Center will be available for the use of delegates from all countries.

¹ For text of draft resolution, see Bulletin of Nov. 14, 1955, p. 801.

Over 40 private American industrial firms will take part in a commercial exhibit to be held at Geneva at the same time as the Conference. The commercial exhibit will display atomic energy equipment, components, products, and services that are now available on the open market.

The inspiration for the 1955 and 1958 scientific conferences stemmed from the Atoms-for-Peace address by President Eisenhower before the United Nations General Assembly on December 8, 1953. On April 19, 1954, Mr. Strauss, then chairman of the Atomic Energy Commission, proposed an international conference for the exchange of scientific information as a first step toward the widespread utilization of atomic energy for peaceful purposes. Subsequently, the General Assembly endorsed proposals for both an International Atomic Energy Agency and a scientific conference on the peaceful uses of atomic energy.

11th World's Poultry Congress

The Department of State announced on August 22 (press release 486) the following delegation to the 11th World's Poultry Congress, which will convene at México, D. F., September 21.

Delegate

Albert W. Brant, chairman, director, poultry research branch, Animal Husbandry Research Division, Agricultural Research Service, Department of Agriculture

Alternate Delegate

Hermon I. Miller, director, Poultry Division, Agricultural Marketing Service, Department of Agriculture

Advisers

Herbert II. Alp, director, Commodity Departments, American Farm Bureau Federation

Cliff D. Carpenter, president, Institute of American Poultry Industries

Ernest M. Funk, professor and chairman, Department of Poultry Husbandry, University of Missouri

Gustave F. Heuser, professor emeritus, Cornell University Joseph William Kinghorne, the World's Poultry Science Association

William G. Lodwick, Agricultural Attaché, American Embassy, México, D. F.

John J. Scanlan, chief, poultry branch, Marketing Division, Farmer Cooperative Service, Department of Agriculture

Alfred N. Schwartz, The Poultryman, Vineland, N.J.

Harlan L. Shrader, extension poultryman, Division of Agricultural Programs, Federal Extension Service, Department of Agriculture

M. Creston Small, National Turkey Federation, Mt. Morris, Ill. David R. Strobel, deputy director, Dairy and Poultry Division, Foreign Agricultural Service, Department of Agriculture

The World's Poultry Association was organized in 1912, and the First World's Poultry Congress was held at The Hague in 1921. These congresses have been held approximately every 3 years since 1921, with the exception of the war years 1942 and 1945. The last Congress was held at Edinburgh August 13–21, 1954.

The objectives of the congresses are to stimulate interest in world poultry affairs and promote friendly international relations by bringing together those persons interested in the various phases of the poultry industry in all parts of the world, to demonstrate the benefits of the application of scientific developments in all branches of poultry husbandry, and to encourage the development of scientific research work and education in connection with the production and marketing of poultry products. It will demonstrate, by means of an exhibition, improvement in the breeding of poultry and afford poultry keepers from all parts of the world an opportunity to visit some poultry farms and other units of the industry.

It is anticipated that several hundred persons from the United States will attend this Congress, which will include scientific workers from the poultry-producing and -processing industries.

10th Session of the General Conference of UNESCO

The Department of State announced on August 18 (press release 473) that President Eisenhower had nominated and sent to the Senate the following-named persons to be U.S. Representatives and Alternate Representatives to the 10th session of the General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO)¹ to be held at Paris November 3–December 5:

U.S. Representatives

Maxwell M. Rabb, chairman

John W. Hanes, Jr., vice chairman, Deputy Assistant Secretary of State for International Organization Affairs Robert H. Hamlin, Assistant to the Secretary of Health, Education, and Welfare

George N. Shuster, president, Hunter College, and U.S. Representative on the UNESCO Executive Board

¹The Senate on August 22 confirmed the U.S. Representatives and Alternate Representatives nominated by the President.

Anna L. Rose Hawkes, president, American Association of University Women

Justus B. L. Lawrence, New York, N. Y.

William Albert Noyes, Jr., University of Rochester

John R. Richards, chancellor of Oregon State Board of Higher Education

Other members of the U.S. delegation will include:

Helen Crocker Russell, San Francisco, Calif.

William S. Dix, librarian, Princeton University

Finis Engleman, executive secretary, American Association of School Administrators

Frank L. Fernbach, economist, Department of Research, American Federation of Labor-Congress of Industrial Organizations

Bess Goodykoonts, director, International Educational Relations Branch, Department of Health, Education, and Welfare

Henry J. Kellermann, counselor for UNESCO Affairs, American Embassy, Paris

Frank Snowden, Howard University

Norman K. Winston, New York, N. Y.

The United States has consistently supported UNESCO because of the importance which it attaches to educational, scientific, and cultural developments as a vital part of the quest for permanent peace and security throughout the world.

The General Conference, which is the governing body of UNESCO, convenes at 2-year intervals. The attention of the delegates to the 10th session will be directed largely to a study and adoption of an action program for UNESCO for 1959-60, based on proposals made by the Director General, Luther H. Evans. Dr. Evans has proposed an expenditure by the international organization of slightly more than \$24 million for the 2-year period. This represents an increase of about \$1.5 million over the budget approved by the 9th session at New Delhi in 1956. The proposed increase reflects the added emphasis on educational assistance in UNESCO's program as well as plans for broadening the aid offered to Latin America through what is known as a "major project" to extend primary education in that area. Two other "major projects" are in operation. One is a worldwide campaign of research on the problems of arid zones. The second is an effort to promote mutual appreciation of Asian and Western cultural values. A "major project" is designed to deal with a problem shared by many of the member states by focusing a significant percentage of the funds and energies of the organization on that problem, thereby supplying an element of concentration to the Organization's program.

The budget increase also provides added funds for extended activities in the field of international cultural relations and communication among peoples.

Current U.N. Documents: A Selected Bibliography ¹

Security Council

Letter Dated 23 July 1958 From the Representative of the Union of Soviet Socialist Republics Addressed to the Secretary-General. S/4064, July 23, 1958. 13 pp. mimeo.

Letter Dated 25 July 1958 From the Representative of the United Arab Republic Addressed to the President of the Security Council. S/4065, July 26, 1958. 2 pp. mimeo.

Letter Dated 2 July 1958 From the Secretary-General of the Organization of American States to the Secretary-General of the United Nations, Transmitting the Resolution Adopted on 27 June 1958 by the Council of the Organization of American States on the Situation Between Honduras and Nicaragua. S/4066, July 28, 1958. 6 pp. mimeo.

Letter Dated 28 July 1958 From the Representative of the Union of Soviet Socialist Republics Addressed to the Secretary-General. S/4067, July 28, 1958. 20 pp. mimeo.

Addendum to the Report of the Chief of Staff of the United Nations Truce Supervision Organization in Palestine on the Firing Incident of 26 May 1958 on Mount Scopus (Document S/4030). S/4030/Add.1, July 28, 1958. 3 pp. mimeo.

Second Report of the United Nations Observation Group in Lebanon. Submitted through the Secretary-General in pursuance of the resolution of the Security Council of 11 June 1958 (S/4023). S/4069, July 30, 1958. 22 pp. mimeo, with map.

Letter Dated 30 July 1958 From the Representative of Pakistan Addressed to the President of the Security Council. S/4070, July 31, 1958. 3 pp. mimeo.

Letter Dated 1 August 1958 From the Acting Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations Addressed to the Secretary-General. S/4071, August 1, 1958. 4 pp. mimeo.

Letter Dated 1 August 1958 From the Acting Representative of the United Kingdom Addressed to the President of the Security Council. S/4072, August 1, 1958. 1 p. mimeo.

Letter Dated 1 August 1958 From the Representative of Canada Addressed to the President of the Security Council. S/4073, August 1, 1958. 1 p. mimeo.

Letter Dated 1 August 1958 From the Representative of the United States of America Addressed to the Secretary-General. S/4074, August 1, 1958. 10 pp. mimeo.

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

- Letter Dated 1 August 1958 From the Representative of France Addressed to the Secretary-General. S/4075, August I, 1958. 7 pp. mimco.
- Report of the Trusteeship Council to the Security Council on the Trust Territory of the Pacific Islands Covering the Period from 13 July 1957 to 1 August 1958. S/4076, August 4, 1958. 57 pp. mimeo.
- Letter Dated 5 August 1958 From the Representative of the Union of Soviet Socialist Republics Addressed to the Secretary-General. S/4079, August 5, 1958, 19 pp. mimeo.
- Letter Dated 7 August 1958 From the Representative of the Hashemite Kingdom of Jordan Addressed to the President of the Security Council. S/4082, August 7, 1958. 3 pp. mimeo.
- Third Report of the United Nations Observation Group in Lebanon. Submitted through the Secretary-General in pursuance of the resolution of the Security Conneil of 11 June 1958 (8/4023). 8/4085, August 14, 1958. 15 pp. mimeo, with map.

General Assembly

- Report of the International Law Commission Covering the Work of its Tenth Session 28 April—4 July 1958. A/CN.4/117, July 10, 1958. 87 pp. mimeo.
- The Reimbursement of the Cost of Clearing the Suez Canal. Report by the Secretary-General. A/3862, August 1, 1958. 2 pp. mimeo.
- Question of Arbitral Procedure. Note by the Secretary-General. A 3863, August 5, 1958. 4 pp. mimeo.
- Effects of Atomic Radiation. Report of the Secretary-General on the strengthening and widening of scientific activities in the field of the effects of atomic radiation. A/3864, August 6, 1958. 6 pp. mimeo.
- Freedom of Information. Views and Suggestions of Governments concerning the draft Convention on Freedom of Information. Report by the Secretary-General. A/3868, August 8, 1958. 11 pp. mimeo.
- Letter Dated 7 August 1958 From the Permanent Representative of Czechosłovakia to the United Nations Addressed to the Secretary-General. A/3869, August 11, 1958. 3 pp. mimeo.

Economic and Social Council

- Expanded Programme of Technical Assistance. Annual Report of the Technical Assistance Board to the Technical Assistance Committee for 1957. Addendum. E/3080 Add.I, E/TAC/REP/120/Add.I, June 13, 1958. 74 pp. mimeo.
- Financial Implications of Actions of the Council. Statement submitted by the Secretary-General. E/3135, June 17, 1958. 25 pp. mimeo.

Trusteeship Council

- Report of the United Nations Commissioner for the Supervision of the Elections in Togoland Under French Administration. T/1392, June 30, 1958. 188 pp. mimeo.
- Rural Economic Development of the Trust Territories. Report of the Committee on Rural Economic Development of the Trust Territories. T/1399. July 10, 1958. 24 pp. mimeo.
- Examination of the Annual Report on the Trust Territory of Somaliland Under Italian Administration for the Year 1957. Supplementary Information Submitted by the Administering Authority. T/1397. July 11, 1958. 15 pp. mimeo.
- Draft Report of the Trusteeship Council to the General Assembly Covering the Work of its Twenty-first and Twenty-second Sessions. T/L.865. July 18, 1958. 44 pp. mimeo.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Convention on the international recognition of rights in aircraft. Opened for signature at Geneva June 19, 1948. Entered into force September 17, 1953. TIAS 2847.

Ratification deposited: Argentina, January 31, 1958. Adherence deposited: Laos, June 4, 1956; Ecuador, July 14, 1958.

Military Service

Protocol relating to military obligations in certain cases of double nationality. Done at The Hague April 12, 1930. Entered into force May 25, 1937. 50 Stat. 1317. Ratification deposited: Austria, July 28, 1958.

Northwest Atlantic Fisheries

Protocol to the International Convention for the Northwest Atlantic Fisheries signed at Washington under date of February 8, 1949. (TIAS 2089). Done at Washington June 25, 1956.

Adherence deposited: Union of Soviet Socialist Republics, August 11, 1958.

Postal Services

Universal postal convention with final protocol, annex, regulations of execution, and provisions regarding airmail with final protocol. Done at Ottawa October 3, 1957. Enters into force for countries which have deposited ratifications April 1, 1959.

Signatures: Afghanistan; Albania; Algeria; Argentina; Australia; Austria; Belgium; Belgian Congo: Bolivia; Brazil; Bulgaria; Burma; Byelorussian Soviet Socialist Republic; Cambodia; Canada; Ceylon; Chile; China; Colombia; Costa Rica; Cuba; Czechoslovakia; Denmark; Dominican Republic; Ecuador; Egypt: El Salvador: Ethiopia; Finland; France, including overseas territories; Federal Republic of Germany; Greece; Gnatemala (with reservation); Haiti; Honduras; Hungary; Iceland; India; Indonesia; Iran; Iraq; Ireland; Israel; Italy; Territory of Somaliland under Italian Administration; Japan; Jordan; Korea; Laos; Lebanon; Liberia; Libya; Luxembourg; Mexico; Morocco; Monaco; Nepal; Notherlands; Netherlands Antilles and Surinam; New Zealand; Nicaragua; Norway; Pakistan; Panama; Paraguay; Peru; Philippines; Poland; Portugal; Portuguese territories in East and West Africa, Asia, and Oceania; Rumania; San Marino; Sandi Arabia; Spain; Spanish territories in Africa; Sudan; Sweden; Switzerland; Syria; Thailand; Tunisia; Turkey; Ukrainian Soviet Socialist Republic; Union of South Africa; Union of Soviet Socialist Republics; United Kingdom of Great Britain and Northern Ireland, including the Channel Islands, Isle of Man, overseas territories, colonies, protectorates, and trust territories (with a statement);

September 8, 1958 403

¹ Not in force.

United States, including territories of the United States and the Trust Territory of the Pacific Islands; Urnguay; Vatican City; Venezuela; Viet-Nam; and Yngoslavia.

Ratification deposited: Sweden, May 2, 1958.

BILATERAL

Finland

Agreement relating to the waiver of visa requirements for nonimmigrants. Effected by exchange of notes at Washington August 15, 1958. Entered into force August 15, 1958.

Indonesia

Agreement relating to the sate to Indonesia of certain military equipment and services. Effected by exchange of notes at Djakarta August 13, 1958. Entered into force August 13, 1958.

Philippines

Agreement relating to the relocation of the Air Post Office from the Manita Air Station to the chancery grounds of the Embassy. Effected by exchange of notes at Manita March 27 and July 17, 1958. Entered into force July 17, 1958.

Agreement relating to the retinquishment to the Philippines of the remaining area of the Manila Air Station. Effected by exchange of notes at Manila July 31, 1958. Entered into force July 31, 1958.

Turkey

Agreement setting forth understanding concerning the agricultural commodities agreement of January 20, 1958 (TIAS 3981). Effected by exchange of notes at Ankara May 13 and June 9, 1958. Entered into force June 9, 1958.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Govkrnment Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Publications of the Department of State, January 1, 1953–December 31, 1957. Pub. 6591. 234 pp. \$1.25.

A complete list of numbered publications of the Department of State published from January 1, 1953, through December 31, 1957.

The Foreign Service of the United States. Pub. 6608. Department and Foreign Service Series 74. 47 pp. 25¢.

A pamphlet explaining how the men and women of the Foreign Service are selected and trained, what they do, and how they live abroad.

Foreign Consular Offices in the United States, 1958. Pub. 6634. Department and Foreign Service Series 75. 52 pp. 20¢.

A publication containing the complete and official listing of the foreign consular offices in the United States, together with their jurisdictions and recognized personnel.

U.S. Participation in the UN—Report by the President to the Congress for the Year 1957. Pub. 6654. International Organization and Conference Series 111, 128. 304 pp. 75c.

Tweifth annual report by the President to the Congress, covering United States participation in the United Nations during the year 1957.

General Agreement on Tariffs and Trade, Analysis of Renegotiation of Certain Tariff Concessions—Australia, New Zealand, Austria, Finland and Surinam and Netherlands. Pub. 6667. Commercial Policy Series 169. 21 pp. 156.

This pamphlet reports the results of renegotiation between the United States and Australia, New Zealand, Austria, Finland, and the Netherlands (for Surinam) regarding certain tariff concessions contained in their schedules to the General Agreement on Tariffs and Trade.

Friendship, Commerce and Navigation. TIAS 4024. 40 pp. 20¢.

Treaty and Protocol between the United States of America and Nicaragua—Signed at Managua January 21, 1956. Entered into force May 24, 1958.

Surplus Agricultural Commodities. TIAS 4025. 20 pp. 156.

Agreement, with memorandum of understanding and exchange of letters, between the United States of America and France—Signed at Paris February 28, 1958. Entered into force February 28, 1958.

Surplus Agricultural Commodities—Child Feeding Program. TIAS 4034. 16 pp. 10¢.

Agreement between the United States of America and Italy. Exchange of notes—Signed at Rome May 8, 1958. Entered into force May 8, 1958.

Surplus Agricultural Commodities. TIAS 4036. 7 pp. 10é.

Agreement, with exchange of notes, between the United States of America and Burma—Signed at Rangoon May 27, 1958. Entered into force May 27, 1958.

Economic Assistance—Expansion of Port of Dammam. TIAS 4038. 6 pp. 5 \rlap/c .

Agreement between the United States of America and Saudi Arabia. Exchange of notes—Signed at Jidda March 1 and at Riyadh May 1, 1958. Entered into force May 1, 1958.

United States Educational Commission in the Federal Republic of Germany. TIAS 4039. 6 pp. 5¢.

Agreement between the United States of America and the Federal Republic of Germany, amending agreement of July 18, 1952. Exchange of notes—Signed at Bonn May 14, 1958. Entered into force May 14, 1958.

Publications. TIAS 4040. 4 pp. 5¢.

Agreement between the United States of America and Poland. Exchange of notes—Dated at Warsaw May 30, 1958. Entered into force May 30, 1958.

Surplus Agricultural Commodities. TIAS 4041. 6 pp. 5¢.

Agreement, with memorandum of understanding, between the United States of America and the Republic of the Philippines—Signed at Manila June 3, 1958. Entered into force June 3, 1958.

| Agriculture. 11th World's Poultry Congress (delegation) | 401 |
|---|--|
| American Principles. Foundations of Pence (Dulles) | 373 |
| Atomic Energy | |
| 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 1.8. Invites Soviets to New York for Talks on Nuclear Test Suspension U.S. Offers To Negotiate Nuclear Test Suspension (Eisenhower) | 400 378 378 |
| Canada President Vetoes Bill Increasing Duty on Treated Seed Wheat F.S. To Open Information Center at Canadian Exhibition | 395 393 |
| China, Communist Secretary Dulles Answers Query on Chinese Communist Buildup U.S. Policy on Nonrecognition of Communist China | 379 385 |
| Congress, The Congressional Documents Relating to Foreign Policy President Approves 4-Year Extension of Trade Agreements Program President Vetoes Bill Increasing Duty on Treated Seed Wheat | 396 396 395 |
| Screetary Dulles Answers Query on Chinese Communist Buildup | 579 |
| President Approves 4-Year Extension of Trade Agreements Program President Reduces Tariff Rate on Imported Hatters Fur (text of proclamation) President Vetoes Bill Increasing Duty on Treated Seed Wheat U.S. To Open Information Center at Canadian Exhibition U.S. To Reduce Controls on Exports to Soviet Bloc | 396 392 395 393 392 |
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| Hungary, St. Stephen's Day—1958 Indonesia, Military Sales Agreement Concluded With | 379 |
| Indonesia | 384 |
| | |
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| International Information. U.S. Reports on East-West Exchanges International Organizations and Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights | 390 397 401 400 400 399 |
| International Information. U.S. Reports on East-West Exchanges International Organizations and Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With | 390 397 401 400 400 399 401 394 373 |
| International Information. U.S. Reports on East-West Exchanges Calendar of International Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) Presidential Documents | 390 397 401 400 400 399 401 394 373 |
| International Information. U.S. Reports on East-West Exchanges Calendar of International Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) President Approves 4-Year Extension of Trade Agreements Program President Reduces Tariff Rate on Imported Hatters' Fur President Vetoes Bill Increasing Duty on Treated Seed Wheat | 390 397 401 400 400 399 401 394 373 384 380 |
| International Information. U.S. Reports on East-West Exchanges International Organizations and Conferences Calendar of International Conferences and Meetings 11th World's Poulitry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) Presidental Documents President Approves 4-Year Extension of Trade Agreements Program | 390 397 401 400 399 401 394 373 384 380 |
| International Information. U.S. Reports on East-West Exchanges International Organizations and Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) Presidential Documents President Approves 4-Year Extension of Trade Agreements Program President Reduces Tariff Rate on Imported Hatters' Fur President Vetoes Bill Increasing Duty on Treated Seed Wheat U.S. Employees Transferring to IAEA To Retain Civil-Service Rights | 390 397 401 400 399 401 394 373 384 380 396 392 395 394 378 |
| International Information. U.S. Reports on East-West Exchanges International Organizations and Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) Presidential Documents President Approves 4-Year Extension of Trade Agreements Program President Reduces Tariff Rate on Imported Hatters' Fur President Vetoes Bill Increasing Duty on Treated Seed Wheat U.S. Employees Transferring to IAEA To Retain Civil-Service Rights U.S. Offers To Negotiate Nuclear Test Suspension Publications. Recent Releases Treaty Information Contrent Actions | 390 397 401 400 400 399 401 394 373 384 380 396 395 395 404 403 |
| International Information. U.S. Reports on East-West Exchanges International Organizations and Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) President Approves 4-Year Extension of Trade Agreements Program President Reduces Tariff Rate on Imported Hatters' Fur President Reduces Tariff Rate on Imported Hatters' Fur President Vetoes Bill Increasing Duty on Treated Seed Wheat U.S. Employees Transferring to IAEA To Retain Civil-Service Rights U.S. Offers To Negotiate Nuclear Test Suspension Publications. Recent Releases Treaty Information Current Actions Military Sales Agreement Concluded With Indonesia U.S.S.R. U.S. Invites Soviets to New York for Talks on Nuclear | 390 397 401 400 399 401 394 373 384 380 396 392 395 404 403 384 |
| International Information. U.S. Reports on East-West Exchanges Calendar of Internations and Conferences Calendar of International Conferences and Meetings 11th World's Poultry Congress (delegation) 2d U.N. International Conference on Peaceful Uses of Atomic Energy (delegation) 7th Meeting of International Scientific Committee for Trypanosomiasis Research (observer) 6th Congress of Onomastic Sciences (delegate) 10th Session of the General Conference of UNESCO (delegation) U.S. Employees Transferring to IAEA To Retain Civil-Service Rights Middle East. Foundations of Peace (Dulles) Military Affairs. Military Sales Agreement Concluded With Indonesia Mutual Security. The Mutual Security Program: A Fight for Peace (Smith) President Approves 4-Year Extension of Trade Agreements Program. President Reduces Tariff Rate on Imported Hatters' Fur President Vetoes Bill Increasing Duty on Treated Seed Wheat U.S. Employees Transferring to IAEA To Retain Civil-Service Rights U.S. Offers To Negotiate Nuclear Test Suspension Publications. Recent Releases Treaty Information Current Actions Military Sales Agreement Concluded With Indonesia U.S.S.R. | 390 397 401 400 400 399 401 394 373 384 380 396 395 395 404 403 |

| '.S. Still Awaiting Soviet Reply to Proposals on Easing Travel Bans (text of note) '.S. To Reduce Controls on Exports to Soviet Bloc | 384 392 |
|--|-------------------|
| Inited Nations Furrent U.N. Doenments Coundations of Peace (Dulles) | 402 373 |
| Name Index | |
| Surrill, Meredith F Onlles, Secretary 373, Elsenhower, President 378, 392, 394, 395, | 399 379 |
| Crifz, Roy F | $\frac{400}{379}$ |
| Smith, J. H., Jr | 380 |

Check List of Department of State Press Releases: August 18-24

Press releases may be obtained from the News Division, Department of State, Washington 25, D. C. Releases issued prior to August 18 which appear in this issue of the BUILETIN are Nos, 459 of August 11 and 469 (revised) of August 16.

| 11 an | d 469 (| revised) of August 16. |
|-------|---------|--|
| No. | Date | Subject |
| *471 | 8/18 | Investment guaranty contract for N. Y. firm. |
| 472 | 8/18 | Dulles: "Foundations of Peace." |
| 473 | 8/18 | Delegation to 10th session of UNESCO General Conference (rewrite). |
| 474 | 8/19 | St. Stephen's Day—1958. |
| 475 | 8/19 | Military sales agreement with Indonesia. |
| 476 | 8/20 | Note to U. S. S. R. on easing of travel restrictions. |
| *477 | 8/20 | Educational exchange (India, Mexico, and Spain). |
| †478 | 8/20 | Bureau of African Affairs established. |
| *479 | 8/20 | Nomination of Joseph Satterthwaite as Assistant Secretary (biographic de- tails). |
| 480 | 8/20 | Delegation to 2d International Conference on Peaceful Uses of Atomic Energy. |
| *481 | 8/21 | Educational exchange (Ghana and Uganda). |
| *482 | 8/22 | U.S. training foreign geologists in aerial geological mapping school. |
| 483 | 8/22 | Report on first 6 months of East-West exchange program. |
| †484 | 8/22 | Becker: "The Control of Space." |
| 485 | 8/22 | U.S. Observer to 7th meeting of International Scientific Committee for Trypanosomiasis Research. |
| 486 | 8/22 | Delegation to 11th World's Poultry Congress. |
| 487 | 8/22 | Delegate to 6th Congress of Onomastic Sciences. |
| 488 | 8/22 | Note to U. S. S. R. on negotiation for suspension of nuclear tests. |
| *489 | 8/23 | Japanese leaders in industry, banking, and economies to visit U.S. |
| †490 | 8/23 | U.S. reply to Soviet note of July 15. |
| †491 | 8/23 | Navy Neptune case. |

^{*}Not printed.

[†]Held for a later issue of the BULLETIN.



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Vol. XXXIX, No. 1003

RE

September 15, 1958

| GENERAL ASSEMBLY EMERGENCY SESSION ADOPTS ARAB RESOLUTION ON THE MIDDLE EAST • Statement by Secretary Dulles and Text of Resolution | 409 |
|---|-----|
| PRESIDENT PROPOSES CONSIDERATION OF IN- CREASED RESOURCES FOR INTERNATIONAL MONETARY FUND AND WORLD BANK • Exchange of Correspondence Between President Eisenhower and Secre- tary of the Treasury Anderson | 412 |
| THE CONTROL OF SPACE • by Loftus E. Becker | 416 |
| PROGRESS REPORT ON THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT • Eighth Semiannual Report on Activities Under Public Law 480, Jan- uary 1-June 30, 1958 | 423 |

THE DEPARTMENT OF STATE



Vol. XXXIX, No. 1003 • Publication 6701 September 15, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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General Assembly Emergency Session Adopts Arab Resolution on the Middle East

The third emergency special session of the United Nations General Assembly met from August 8 to 21 to consider basic problems facing the United Nations in the Middle East in accordance with a resolution adopted by the Security Council on August 7 (U.N. doc. 8/4083). Substantive debate was opened on August 13 with an address by President Eisenhower. Following is a statement made by Secretary Dulles in plenary session on August 21, together with the text of an Arabsponsored resolution which was unanimously adopted by the General Assembly emergency session on August 21.

STATEMENT BY SECRETARY DULLES

U.S./U.N. press release 2983 dated August 21 Mr. President and fellow delegates:

The General Assembly here deals with a most difficult and delicate problem. On the one hand, it is necessary that two small states, Lebanon and Jordan, shall be given security and assurance of political independence. On the other hand, we need to make certain that this shall be done in ways which do not themselves encroach upon political independence.

The United States responded to the unsolicited appeal of the Government of Lebanon ² because we believed failure to respond would have condemned many small nations to a sense of insecurity and instilled in many a fatalistic resignation to the inevitability of being dominated by powerful neighbors. This would have frustrated one of the basic concepts of our charter, namely, that of the equal rights of nations, large and small. The

world must be made safe for small nations. We acted in that spirit and for that purpose and for that purpose alone.

But we did not feel that our action was an ideal solution. The preferable solution would have been collective action of the world community represented by the United Nations. But that would have taken time.

However, the moment the United States acted, we also went to the Security Council and sought from it action which would have replaced our own.³ When relief in the Security Council was frustrated we came here.

As a result of the discussions here, public and private, there has, it seems, emerged general agreement on three basic propositions:

One—there is need to reaffirm, not only in terms of words but of deeds, the principle of our charter and of prior General Assembly resolutions that each member state should respect the freedom, independence, and integrity of other states and scrupulously avoid what might foment civil strife within another state.

Two—any resolution reaffirming these principles should be reinforced in the case of Lebanon and Jordan by some presence there of the United Nations. That would serve both as reassurance and as warning.

Three—the foreign troops which went into Lebanon and Jordan as an emergency measure should be withdrawn and withdrawn as quickly as other measures were taken which could reasonably be undertaken to assure the independence, security, and integrity of these countries.

These three elements were present in the United States and Japanese resolutions in the Security Council. They were present in a resolution intro-

September 15, 1958 409

¹ Bulletin of Sept. 1, 1958, p. 337.

² For background, see *ibid.*, Aug. 4, 1958, p. 181.

³ Ibid., p. 186.

duced by Norway and other sponsors,⁴ and they are also present in the resolution now introduced under the cosponsorship of the ten Arab countries.⁵

Mr. President, we think it particularly important and much to be praised that the countries involved directly in the controversy, which gave rise to this emergency meeting of the General Assembly, have themselves agreed on a formula of solution. This is an event of happy augury, and the United States, I may say, supports the Arab resolution.

Let me now briefly comment upon the two resolutions—the Arab and the Norwegian resolutions.

Both of these resolutions begin by emphasizing the charter aim that states should "practice tolerance and live together in peace with one another as good neighbors." The general area of the Near East has unhappily been plagued by much intolerance. It is devoutly to be hoped that this admonition of the two principal resolutions now before this General Assembly means in fact that a new era of tolerance may be dawning in the Near East.

The second preambular section of the Arab resolution notes the undertaking of the Arab countries pursuant to the Pact of the League of Arab States. The United States, which is itself a member of such organizations as the Organization of American States and the North Atlantic Treaty Organization, welcomes the strengthening everywhere of ties which are designed to keep peace and harmony as between the members and which equally accept the overriding provisions of the United Nations Charter dealing with relations of states with each other.

With respect to section A of the Arab and Norwegian resolutions, we find them substantially equivalent. We would have somewhat preferred, as a matter of taste or precedent, the language of the Norwegian resolution, which reflects prior resolutions of this General Assembly, rather than

⁴ U.N. doc. Λ/3878. The Norwegian representative, on behalf of the cosponsors, announced he would not press for a vote on the resolution in light of the Arab draft resolution.

comparable language of a group of our members. But, if the Arab resolution is, as we anticipate, to be voted on as a whole without amendments, we will accept the language of section A, particularly because paragraph 2 of part A of the Arab resolution goes beyond the obligations of the Arab nations as between themselves and deals broadly with the obligations of all members of the United Nations under our charter to deal with each other in accordance with the provisions of that charter.

Section B of the two resolutions is substantially identical in their mandate to the Secretary-General, a mandate which we think should produce solid reassurances of security, integrity, and independence for Lebanon and Jordan.

The two resolutions differ in form, although, we think, not in substance, with respect to the withdrawal of foreign forces. The Norwegian resolution took note of the declarations of the Government of the United States and the Government of the United Kingdom that they will withdraw as soon as the Governments of Lebanon and Jordan so requested or as soon as substitute arrangements were made by the United Nations. The Arab resolution in effect incorporates the latter concept into the resolution itself. This is entirely acceptable to the United States. have made clear from the beginning that we do not believe that nations, particularly small nations, threatened with danger from without should be dependent upon inviting the presence of the forces of other nations. This is legitimate in cases like that of Lebanon and Jordan, but intervention is a practice which can be abused and can lead to the domination of one country by another. That regrettably has happened. The course much to be preferred is that which these resolutions indicate, namely, to have the United Nations ready, willing, and able to take measures so that the need of foreign forces is obviated.

The United States desires at the earliest practical moment to withdraw its forces from Lebanon. We said this when we went in. We have been saying it almost every day since, and also we and the United Kingdom have solemnly affirmed our position in communications to the President of this Assembly.

We rejoice at the prospective assumption by the United Nations of responsibilities which in an emergency we reluctantly assumed and which we are eager to lay down.

⁵ U.N. doc. A/3893/Rev. 1, sponsored by Iraq, Jordan, Lebanon, Libya, Morocco, Saudi Arabia, Sudan, Tunisia, United Arab Republic, and Yemen.

⁶ In the Norwegian and Arab draft resolutions the operative sections are labeled Λ, Β, C, and D, where the resolution as adopted uses Roman numerals I, II, III, and IV.

In this connection I want to take this occasion to express, on behalf of the Government of the United States, our appreciation of the fact that it seems that every nation here, whatever some may have said, really has confidence in the integrity of the purposes of the United States in this matter. That is a tribute we appreciate and we shall seek always to deserve.

Section C of the Arab resolution coincides with the provisions of the section C (2) of the Norwegian resolution. This deals with the possible creation of an Arab development institution. We believe, and President Eisenhower's address clearly emphasized, that this is an important aspect of the Near East problem.

The Arab resolution omits reference to the consideration by the 13th, that is, the forthcoming General Assembly of a standby United Nations peace force. We believe that it would have been appropriate to keep this reference in the resolution, but, irrespective of that, the fact is that the matter will in any event be considered by the 13th session of the General Assembly.

Section D of the Arab resolution is identical with section D of the Norwegian resolution dealing with the operative provisions.

The United States takes much satisfaction from the fact that the countries in direct controversy have found it possible to agree on action by this emergency session. It has called for constructive action, thinking, and planning by all concerned on whichever side. The result arrived at justifies the great faith which the United States has always placed in this General Assembly which operates free of veto power and where free-world opinion has an opportunity to crystallize along sober and constructive lines.

Having said this, Mr. President, let me stress that no resolution, in and of itself, will solve the problems of the Near East. These problems have deep roots. They cannot easily be eradicated. They have explosive aspects which can surprise us at any time. No Assembly resolution can of itself solve these problems, and it would be folly for us to go away from here confident that the problem of the Near East has been solved by this resolution. But, if the principles of the Arab resolution are put into practice, then the problems, we believe, can be solved.

In the broadest sense, what we confront here is not intrinsically a question of detailed wording. It is a matter of spirit and of purpose. What we say here constitutes an appeal for wisdom and moderation on the part of the leaders of the countries of the Near East and, indeed, of the leaders throughout the whole world.

The United States believes that this emergency meeting of the General Assembly creates an opportunity which, if it is availed of, will not only mark a great new triumph for the United Nations but will also prompt the political, economic, and social welfare of the nations of the Near East. That, however, we repeat, depends primarily not upon our words but upon deeds. Words that we utter here can be helpful, but the final answer is to be sought elsewhere. The fact that the nations which complained and the nations which were complained against now are in agreement is a good augury. It does not of itself mean that we can take the future for granted, but we can and do look to that future hopefully.

TEXT OF RESOLUTION

U.N. doc. A/Res./1237 (ES-III)

The General Assembly,

Having considered the item "Questions considered by the Security Conneil at its 838th meeting on 7 August 1958",

Noting the Charter aim that States should "practise tolerance and live together in peace with one another as good neighbours",

Noting that the Arab States have agreed, in the Pact of the League of Arab States to "strengthen the close relations and numerous ties which link the Arab States, and to support and stabilize these ties upon a basis of respect for the independence and sovereignty of these States, and to direct their efforts toward the common good of all the Arab countries, the improvement of their status, the security of their future and the realization of their aspirations and hopes".

Desiring to relieve international tension,

т

- 1. Welcomes the renewed assurances given by the Arab States to observe the provision of Article 8 of the Pact of the League of Arab States that "Each member State shall respect the systems of government established in the other member States and regard them as exclusive concerns of these States", and that "Each shall pledge to abstain from any action calculated to change established systems of government";
- 2. Calls upon all States Members of the United Nations to act strictly in accordance with the principles of mutual respect for each other's territorial integrity and sovereignty, of non-aggression, of strict non-interference in

TT

Requests the Secretary-General to make forthwith, in consultation with the Governments concerned and in accordance with the Charter, and having in mind part I of this resolution, such practical arrangements as would adequately help in upholding the purposes and principles of the Charter in relation to Lebanon and Jordan in the present circumstances, and thereby facilitate the early withdrawal of the foreign troops from the two countries;

III

Invites the Secretary-General to continue his studies now under way and in this context to consult as appropriate with the Arab countries of the Near East with a view to possible assistance regarding an Arab development institution designed to further economic growth in these countries;

ΙV

- 1. Requests Member States to co-operate fully in carrying out this resolution;
- 2. Invites the Secretary-General to report hereunder, as appropriate, the first such report to be made not later than 30 September 1958.

President Proposes Consideration of Increased Resources for International Monetary Fund and World Bank

Following is an exchange of letters between President Eisenhower and Secretary of the Treasury Robert B. Anderson.

THE PRESIDENT TO SECRETARY ANDERSON

AUGUST 26, 1958.

Dear Mr. Secretary: I have read with great interest your letter concerning the adequacy of the present resources of the International Monetary Fund and the International Bank for Reconstruction and Development.

I thoroughly agree with you that the well-being of the free world is vitally affected by the progress of the nations in the less developed areas as well as the economic situation in the more industrialized countries. A sound and sustainable rate of economic growth in the free world is a central objective of our policy.

It is universally true, in my opinion, that governmental strength and social stability call for an economic environment which is both dynamic and financially sound. Among the principal elements in maintaining such an economic basis for the free world are (1) a continuing growth in productive investment, international as well as domestic; (2) financial policies that will command the confidence of the public, and assure the strength of curren-

cies; and (3) mutually beneficial international trade and a constant effort to avoid hampering restrictions on the freedom of exchange transactions.

During the past year, as you know, major advances have been made in our own programs for dealing with these problems. These include an increase in the lending authority of the Export-Import Bank; establishment of the Development Loan Fund on a firmer basis through incorporation and enlargement of its resources; extension and broadening of the Reciprocal Trade Agreements Act; and continuation of the programs carried forward under the Agricultural Trade Development and Assistance Act.

Our own programs, however, can do only a part of the job. Accordingly, as we carry them forward, we should also seek a major expansion in the international programs designed to promote economic growth with the indispensable aid of strong and healthy currencies.

As you have pointed out, the International Bank for Reconstruction and Development and the International Monetary Fund are international instruments of proved effectiveness already engaged in this work. While both institutions still have uncommitted resources, I am convinced that the time has now come for us to consider, together with the other members of these two agencies, how we can better equip them for the tasks of the decade ahead.

Accordingly, I request, assuming concurrence by the interested members of the Congress with whom you will consult, that you take the necessary steps in conjunction with the National Advisory Council on International Monetary and Financial Problems, to support a course of action along the following lines:

First: In your capacity as United States Governor of the International Monetary Fund, I should like to have you propose, at the Annual Meeting of the Fund at New Delhi in October, that prompt consideration be given to the advisability of a general increase in the quotas assigned to the member governments.

The past ten years testify to the important role played by the International Monetary Fund in assisting countries which, from time to time, have encountered temporary difficulties in their balance of payments. We are now entering a period when the implementation of effective and sound economic policies may be increasingly dependent in many countries upon the facilities and technical advice which the Fund can make available as they meet temporary external financial difficulties. This is particularly true of the less developed countries with the great variability in foreign exchange receipts to which they are subject from time to time. It also applies to industrialized countries which are dependent on foreign trade. Through its growing experience and increasingly close relations with its members, the Fund can also help see to it that countries are encouraged to pursue policies that create stable financial and monetary conditions while contributing to expanding world trade and income. The International Monetary Fund is uniquely qualified to harmonize these objectives but its present resources do not appear adequate to the task.

Second: In your capacity as United States Governor of the International Bank for Reconstruction and Development, I should like to have you propose, at the Annual Meeting of the Bank, that prompt consideration be given to the advisability of an increase in the authorized capital of the Bank and to the offering of such additional capital for subscription by the Bank's member governments. Such additional capital subscriptions, if authorized, would not necessarily require additional payments to be made to the Bank; they would, however, ensure the adequacy of the Bank's lending resources for an extended period by

strengthening the guarantees which stand behind the Bank's obligations.

The demands upon the Bank for development loans have been increasing rapidly, and it is in a position to make a growing contribution to the economic progress of the free world in the period which lies ahead. Moreover, it can do this by channeling the savings of private investors throughout the world into sound loans, repayable in dollars or other major currencies. But to meet the rising need for such sound development loans, it must be able to raise the funds in the capital markets of the free world. An increase in the Bank's subscribed capital, by increasing the extent of the responsibility of member governments for assuring that the Bank will always be in a position to meet its obligations, would enable the Bank to place a larger volume of its securities in a broader market, while still maintaining the prime quality of its securities and hence the favorable terms on which it can borrow and re-lend funds.

Third: With respect to the proposal for an International Development Association, I believe that such an affiliate of the International Bank, if adequately supported by a number of countries able to contribute, could provide a useful supplement to the existing lending activities of the Bank and thereby accelerate the pace of economic development in the less developed member countries of the Bank. In connection with the study of this matter that you are undertaking in the National Advisory Council pursuant to the Senate Resolution, I note that you contemplate informal discussions with other member governments of the Bank with a view to ascertaining their attitude toward an expansion of the Bank's responsibilities along these lines. If the results indicate that the creation of the International Development Association would be feasible, I request that, as a third step, you initiate promptly negotiations looking toward the establishment of such an affiliate of the Bank.

The three-point program I have suggested for consideration would require intensified international cooperation directed to a broad attack upon some of the major economic problems of our time. A concerted and successful international effort along these lines would, I feel certain, create a great new source of hope for all those who share our conviction that with material bet-

terment and free institutions flourishing side by side we can look forward with confidence to a peaceful world.

Sincerely,

DWIGHT D. EISENHOWER

The Honorable Robert B. Anderson Secretary of the Treasury Washington, D. C.

SECRETARY ANDERSON TO THE PRESIDENT

August 18, 1958.

DEAR MR. PRESIDENT: We have frequently discussed together the importance of a sound and sustainable growth in the economy of the free world to both the foreign and domestic policy objectives of the United States. Over the longer term, I believe that the well-being of the friendly nations depends not only on the economic and financial health of the industrialized nations of Europe, North America, and elsewhere, but also upon the economic growth and progress of nations in the less developed areas of the free world.

Through a number of measures the United States has been pursuing these objectives, and this year we have taken major steps forward in our own programs. It would seem highly desirable that the nations of the free world as a whole should move forward cooperatively to deal more effectively with the problem. One of the best ways of achieving such cooperation would be by strengthening the financial institutions already established. In the International Bank for Reconstruction and Development and the International Monetary Fund we have seasoned international instruments now engaged in this work.

Both of these organizations have staffs of internationally recruited experts who, with over a decade of experience behind them, have demonstrated their ability to act effectively and impartially. Both have established operating standards and policies which command the respect of their member governments. The Fund has provided short-term financial assistance to 35 member countries, aggregating the equivalent of over \$3 billion. Through such assistance and the influence it has been able to bring to bear for the adoption of

sound currency and exchange policies, the Fund has contributed substantially towards monetary stability and a freer flow of international trade and payments. The Bank has invested some \$3.8 billion in productive development projects in 47 different countries and territories, most of them under-developed. Loans by the Bank are running at the rate of about \$750 million a year. Bank's financing and technical assistance activities have served to accelerate the pace of economic growth all over the free world; and it has carried on these activities on a basis that has earned for the Bank the confidence of all major private capital markets. The establishment of the International Finance Corporation, which supplies capital to encourage the growth of productive private enterprise, has recently increased the scope and flexibility of the Bank's field of operation.

The International Monetary Fund utilizes for its operations gold and member country currencies which have been provided to it by the member countries through their subscriptions to its capital. Advances by the Fund in the past two years have amounted to approximately \$1.8 billion and nearly \$900 million additional are in effect earmarked against standby commitments which the Fund has undertaken.

Under the charter of the International Bank, a small part of its authorized capital is available for loans, but the Bank must depend primarily on borrowings in the financial markets of the world. The major part of the authorized capital in effect constitutes a guarantee for these borrowings. The Bank has raised the equivalent of more than \$2 billion through issuing its bonds denominated in six different currencies. At present the equivalent of about \$1.7 billion is outstanding in such bonds. The Bank's bonds are recognized throughout the world as securities of the highest quality and, as a result, the Bank has been able to borrow large sums of money at frequent intervals at rates of interest comparable to those of highly-regarded government securities. This is turn has enabled the Bank to fix interest rates on its own loans at levels not imposing undue burdens on the borrowing countries concerned. While the Bank still has unused borrowing capacity, its volume of lending has expanded greatly and, if it is to continue to be able to meet legitimate loan requests likely to be submitted to it during the years ahead, it must go to the market for larger amounts of money than

ever before. This would require a broadening of the market for the Bank's bonds and the tapping of sources of capital not yet reached.

During the annual meetings of the Bank and Fund at New Delhi early in October, we should give consideration to ways and means of increasing the effectiveness of these two institutions. As U.S. Governor of the Bank and Fund, I would welcome your guidance with respect to these vital problems of policy. If you believe that certain avenues of action should be explored preparatory to the New Delhi meeting, I would ask the National Advisory Council to proceed promptly with detailed study and arrangements. We would, of course, wish to consult with members of the Congress who are particularly concerned with this subject.

A related matter has recently been under consideration by the Senate, which has adopted a resolution calling upon the National Advisory Council to undertake a study of the feasibility of an International Development Association as an affiliate of the International Bank. The resources of such an organization would be subscribed by the members of the Bank. The Association would finance development projects on the basis of long term loans at reasonably low interest rates repayable in whole or in part in local currencies. In the course of its study, the Council will also explore the possibility that such an affiliate of the Bank might prove to be a means, supplemental to our own national programs, for assuring productive investment of some part of the various local currencies becoming available to the United States through the sale of agricultural surpluses or other programs. It is intended to undertake informal discussions with other members of the Bank with a view to ascertaining their attitude toward an expansion of the Bank's activities along these lines.

I request your guidance as to whether, if the study indicates that the proposal is promising, you would wish to have the subject pursued formally with the governments of the other member countries of the International Bank.

Faithfully yours,

Robert B. Anderson

The President

The White House

U.S. Notes Peiping Radio Threat to Taiwan and Offshore Islands

Press release 501 dated August 28

The Department of State has taken note of the broadcast of the Fukien Command of the Chinese Communist Army, rebroadcast by Peiping Radio late yesterday [August 27], in which Peiping states, "The Chinese People's Liberation Army has determined to liberate Taiwan, a territory of the fatherland, as well as the offshore islands and the landing on Quemoy is imminent." The fact that the offshore islands are related intimately to Taiwan in this Peiping radio threat confirms what Secretary Dulles said in his recent letter to Mr. Morgan, chairman of the House Foreign Affairs Committee. The Secretary pointed out that the ties between the offshore islands and Formosa have become closer, that their interdependence has increased, and that he believed that it would be "highly hazardous" for anyone to assume that if the Chinese Communists were to attempt to change the situation by force and now attack or seek to conquer these islands, that could be a limited operation.

This direct threat and the massive bombardment of Quemoy come as stark reminders of Peiping's militarism and aggressive expansionism and are in direct contrast to Peiping's repeated professions of peaceful intentions.

President Approves Euratom Cooperation Act of 1958

Following is the text of a statement made by President Eisenhower on August 28 and released by the White House on August 29.

I am especially pleased to approve the EURATOM Cooperation Act of 1958, which enables the United States Government to begin active preparation for the joint United States-EURATOM program² to develop nuclear power in Europe.

September 15, 1958 415

¹ Bulletin of Sept. 8, 1958, p. 379.

¹ For background, see *ibid*, July 14, 1958, p. 70, and Aug. 11, 1958, p. 247.

EURATOM (the European Atomic Energy Community), which came into being on January 1, 1958, was formed by six of our European friends—Belgium, Germany, France, Luxembourg, Italy and the Netherlands—in order to combine their efforts in developing the peaceful uses of atomic energy. It holds great promise, not only as a means to this end, but also as a means of furthering European unity.

Our joint program, which is EURATOM's first major program, is designed to achieve the construction in Europe of about six nuclear power reactors with a total installed capacity of about one million kilowatts of electricity and to improve power reactor technology through a research program of great scope. This joint program should prove highly beneficial both to Europe and to the United States.

The Control of Space

by Loftus E. Becker Legal Adviser¹

It is a privilege to be invited to participate in today's discussion. If our profession has one basic belief, it is a firm conviction in the value of controversy and debate in developing sensible answers to complicated questions. It is difficult to exaggerate the usefulness of opportunities such as this to exchange ideas and test our views in public discussion. Those of us who have the responsibility for advising the Government in these matters are particularly grateful for this occasion to draw upon the wisdom and experience of our colleagues. We will need both wisdom and experience, for the complex legal problems of the developing space age will require hard, and perhaps bold, thinking by us all for their effective solution.

Admiral Ward ² has pointed out some of the realistic and practical problems which confront and condition the approach of the Government lawyer working in this area. If I may "incorporate by reference" Admiral Ward's remarks into my own, I would like briefly to further develop

I would further emphasize that we must always keep in mind that the primary function of law is the resolution of differences and settlement of disputes, actual or anticipated, between human beings. Until we know what these differences or disputes will be and how and between whom they may arise, we are in an "Alice in Wonderland" world. Efforts to declare or establish detailed rules at this time can be at best only fumbling in the dark and at the worst prove actual impediments to the rational development of outer space. Before seeking adequate solutions we must know the nature of the technical problems we are facing, the human conflicts that are to be resolved, and the environment in which solutions will operate. As we come to know these things, we can then proceed step by step on the pragmatic basis of actual experience to build an enduring and effective structure of rules and principles which will adequately reflect real interests and sensible solutions.

his theme in connection with various other problems related to the control of activities in outer space. In doing so I would reemphasize the complexity of the considerations which must be taken into account in the formulation of an official position by the United States or any government on legal issues of this nature.

¹ Address made before the 81st annual meeting of the American Bar Association at Los Angeles, Calif., on Aug. 26 (press release 484 dated Aug. 22).

 $^{^{2}}$ Adm. Chester Ward, Judge Advocate General of the Navy.

Before turning to specific issues, let me make several general observations,

The basic pattern of our existing foreign policy with respect to space is no different from that which we have with respect to international relations here on the earth. In conformity with our undertakings under article 1 of the United Nations Charter, it is our purpose to insure that—in space as on the earth—international peace and security are maintained and that international disputes or situations which might lead to a breach of the peace are adjusted or settled in conformity with the principles of justice and international law.

We are in favor of international cooperation in solving international problems. At the same time we are dedicated to the maintenance of the legitimate national interests of the United States, and we hold firm to our inherent right of individual and collective self-defense against armed attack, which is fully recognized under article 51 of the United Nations Charter.

Use of Outer Space for Peaceful Purposes

The most immediate problem in the field of space foreign policy is how to insure that outer space is used for peaceful purposes only.

You are doubtless well aware that the United States Government has already taken an initiative in this field. The United States recognized the importance of determining now what steps can be taken to assure that missiles and other outer-space vehicles, already in the development stage, will be utilized solely for peaceful purposes. This recognition stemmed from the fact that to-day these military space instruments are in the early stages of development.

With the passage of time and their continuous growth and refinement, the problem of effective international control becomes more difficult. This point is best illustrated by a similar historical problem. In 1946 international control of the military use of nuclear energy could have been attained with relative ease. Today, as we well know, control of the atom has become a much more vastly complicated and difficult task.

Fully cognizant of this lesson of history, the United States proposed to the United Nations on January 14, 1957,³ that

, . . the first step toward the objective of assuring that future developments in outer space would be \mbox{de}

voted exclusively to peaceful and scientific purposes would be to bring the testing of such objects under international inspection and participation.

This was the first recognition by any nation of the immediate need to deal with this compelling problem.

Since that time we have repeatedly stressed the need—and our willingness—to reach agreement in this vital area.

Today we have pending before the Disarmament Commission of the United Nations a proposal set forth at London in August 1957.4 It stands as one of five basic principles overwhelmingly endorsed by the United Nations as the basis for continued disarmament negotiations. This proposal calls for nations to cooperate in the establishment of a technical committee to study the design of an inspection system which would effectively cover the field of ballistic missiles and other outer-space objects to assure their development for exclusively scientific and peaceful purposes. Moreover, we have offered to join immediately in such a study, on a multilateral basis, without awaiting the conclusion of negotiations on other substantive proposals.

The Department of State believes that this proposal represents a significant first step toward regulating the use of outer space for military purposes. We intend to continue to emphasize the need to turn this proposal into constructive action.

I do not consider it as correct to say that there is no international law with respect to space outside the atmosphere. Article 51 of the United Nations Charter reserves to each of the members of the United Nations an "inherent right" of individual or collective self-defense against armed attack. It is immaterial whether the attack originates in or passes through outer space in order to reach a member state. In such a case that state has the right to defend itself, a right established under accepted international law, as defined in the charter of the United Nations. I may add that, while domestic law has developed without regard

³ For background, see Bulletin of Feb. 11, 1957, p. 225.

⁴ For text of Western proposals, see *ibid.*, Sept. 16, 1957, p. 451; for a statement by Ambassador Henry Cabot Lodge in the Disarmament Commission on Sept. 30, 1957, see *ibid.*, Oct. 21, 1957, p. 631; for statements by Ambassador Lodge in the 12th session of the General Assembly, together with texts of U.N. resolutions on disarmament, see *ibid.*, Dec. 16, 1957, p. 961.

to the specific conditions of space flight, there are existing principles of international and domestic law which could be made applicable at this time in the event that a satellite entered the airspace of any sovereign state. I would, therefore, suggest that the page upon which we may ultimately write the law of space is not so frighteningly blank as it is at times supposed.

I would like now to speak briefly on several more specific questions.

Satellite Program for the IGY

First, a word may be in order on the relation of the International Geophysical Year to the satellite program. I have several times seen it stated that neither we nor other nations have any right to protest or take any action with respect to satellites because of the events relating to the IGY. Now the facts are these:

The arrangements with respect to the IGY were not made on an intergovernmental basis. They were arrangements made between scientific bodies in a private capacity. It is true that certain governments, including the Soviet Union and the United States, announced in advance that during the IGY they intended to place objects in orbit around the earth. And it was also stated in connection with these announcements that the purpose of the satellites would be for scientific investigation. No nation protested these arrangements.

It follows that the only conclusion that can be reached with respect to the arrangements regarding the IGY is that there is an implied agreement that, for the period of the IGY, it is permissible to put into orbit satellites designed for scientific purposes. Once the year is over, rights in this field will have to be determined by whatever agreement may be reached with respect to such objects. Since it appears that the International Council of Scientific Unions may possibly extend the satellite program beyond the close of the IGY, this problem may not yet be upon us. But it is one we must consider for the future.

In this connection I would like to note that in the relatively near future we may have to face up to the question of the legality under international law of so-called reconnaissance satellites which would have the capability of surveying the territory over which they pass and transmitting such information to the launching state. As yet the United States Government has not taken any position on this question—it has not asserted nor denied any national "right of privacy"—and I do not propose to do so at this time. I would point out, however, that it was the Soviet Union that established an iron curtain against the free flow of information. Not only has the policy of the United States been otherwise, but also you will recall that it was President Eisenhower who in 1955 at the summit conference in Geneva made the initial open-skies proposal. We have continued to press this proposal in various forms, and it, too, constitutes a portion of the disarmament proposals approved by the United Nations.

Sovereignty Over Celestial Bodies

What of the question of sovereignty over celestial bodies, as contrasted with sovereignty over zones of outer space? Under existing rules of international law may any one nation acquire exclusive sovereignty or "ownership" over parts or all of such bodies so as to have the right to exclude or prevent other nations from exploring, occupying, or exploiting them? What will be the legal effect of successful lunar or planetary probes or, perhaps eventually, manned landings?

As a general matter it seems clear that international law at the present time furnishes no clear rules or precedents as regards this problem. Neither treaties nor international practice apply to it for the obvious reason that there has been neither necessity nor occasion for either to develop. We have, indeed, analogies to draw upon in the international law pertaining to the law of the sea and in rules and precedents for the acquisition of sovereignty over "terra nullius."

But these rules are far from well defined. They give weight to numerous factors, and they have varied greatly with particular circumstances. Moreover, there are very great risks in attempting to transmute a body of law based upon a determined set of facts on the earth into a body of law with respect to celestial bodies as to which the facts have not been determined and which are in all probability vastly different from anything in our experience. We must be prepared to reject mechanical applications of old and inappropriate rules in favor of new ones, more fitted to these unique environments and activities. And we must recognize that the choice of rules in this area will

represent a major policy decision for each of the various states—a decision outside the competence of any international body as the world is now constituted.

For the near future, even if successful lunar or planetary probes are carried out, it is my personal view that any attempted solution of this problem is premature. In terms of the practical realities of space exploration it is becoming increasingly evident that considerable time will elapse and many problems will have to be solved before man, as opposed to his instrumentalities, can voyage to other planets. The recent discovery of a thus far unplumbed zone of intense radiation on the edge of outer space is but an example of the hard road ahead. We know nothing of the difficulties that may be encountered on celestial territory, the probability or consequences of contact with other forms of life, or the stakes which exclusive control of such bodies may offer. Until human activity on these bodies becomes sufficiently intensive and potentially conflicting as to require legal ordering, decisions on such questions seem to me unnecessary and our energies better spent in other directions. Once again, sensible solutions cannot now be evolved to future problems whose nature and context cannot be accurately foreseen.

Nor do I fear that international law is so inflexible and irrational a mechanism that the limited acts in connection with celestial bodies presently contemplated will freeze the possibility of reasonable legal solution in the future. It is true that such sporadic activities may set the pattern and context out of which solutions will eventually be forged. But we need not fear that they will have any conclusive or binding effect in and of themselves absent the concurrence of other major powers.

For these reasons, by far the most sensible approach to the question of sovereignty over celestial bodies seems to me to be one of "wait and see," similar to that which we are following in the case of the Antarctic. Under such a policy we would neither assert claims to such bodies ourselves nor recognize claims asserted by other nations but would reserve any rights to which our activities might entitle us in the future.

The primary need at this time would appear to be for agreement that the activities of man on the other celestial bodies shall be peaceful, rather than decision on how sovereignty over them is to be acquired. If we can reach agreement on this point, the question of territorial claims may well be deferred for the present.

Cooperation in Outer-Space Activity

Let me lastly say a word on the question of international cooperation in outer-space activity. In this area there are indeed challenging and exciting possibilities—ranging from the cooperative construction, launching, and operation of radio relay and weather satellites ultimately to international cooperation in the development of manned space stations and planetary flight. Truly cooperative international programs of this sort could have far-reaching international implications, diminish wasteful and dangerous national rivalries, and lead to inestimable benefit for all mankind. It may be noted that the recently enacted "Space Act of 1958" provides authority for such international cooperation in these fields.⁵ Such international cooperation could well provide the basis for the parallel development of a system of legal accommodation.

Ultimately, to foster and guide the cooperative efforts that are possible, it would appear axiomatic that some appropriate international machinery be created. At this time we in the State Department envisage no obstacles—political or technical—which would preclude the establishment of such an international system of cooperation or coordination.

The provision of a system of law to govern human relations in outer space will ultimately be indispensable. This result may come about over a long period of time through the growth of customary practice or the accumulation of agreements dealing with particular subjects. Or the process may ultimately be shortent by the vesting of authority to develop such principles in international organs. But it may again be emphasized that, before final solutions are attempted, we will need to know more about the exact context and nature of the problems themselves and the activities we are seeking to order. And above all, in developing principles of order for this new and

September 15, 1958 419

⁵ For a statement by President Eisenhower on the occasion of signing the National Aeronautics and Space Act of 1958, see *ibid.*, Aug. 25, 1958, p. 327.

vast area of activity and its unique problem, we must have a keen awareness of the growing potentialities of outer space and its possible role in the future of man. From the viewpoint of the United States proposed solutions must reflect our policy aims to develop systems of institutional adjustment conducive to long-range objectives. These objectives include the demilitarization of space and its devotion to peaceful purposes, the encouragement of scientific research and the rapid achievement of practical benefits from such science to increase human welfare, and the encouragement of international cooperation and institutions of world community. If we pursue these goals conscientiously, we may indeed look forward to a bright and most exciting future.

U.S. Submits Navy Neptune Case to International Court of Justice

Following is a Department announcement concerning the instituting of proceedings against the U.S.S.R., together with the text of the U.S. Government's application to the International Court of Justice and text of a Soviet note of October 10, 1957.

DEPARTMENT ANNOUNCEMENT

Press release 491 dated August 23

Loftus E. Becker, Legal Adviser of the State Department, filed on August 22, on behalf of the United States, in his capacity as the agent of the United States, an application instituting proceedings against the Union of Soviet Socialist Republics on account of the destruction on September 4, 1954, of the Navy Neptune plane in the international airspace over the Sea of Japan in the area of Vladivostok. These proceedings were instituted because the Soviet Government had refused to agree to submit the case to the International Court of Justice by special agreement, although so requested by the U.S. Government.

It will be recalled that this incident was the subject of a Security Council debate on September 10, 1954; ¹ that thereafter the State Department, after thorough investigation of the facts and the

applicable law, filed a diplomatic claim with the Soviet Government for compensation.² The Soviet Government, however, denied liability.

The present proceedings have been instituted in line with the U.S. Government's policy to resort to the forces of international law and order to obtain justice and to seek to prevent a recurrence of these tragic events in which not only American aircraft but American lives are imperiled or lost by irresponsible Soviet shooting. It is hoped that the Soviet Government will, upon the presentation of the application to the International Court of Justice, accede to the jurisdiction of that Court. But in any case, the institution of the present proceedings is another landmark in the U.S. Government's efforts to provide peaceful solutions to these problems.

TEXT OF APPLICATION

July 25, 1958

Sir: 1. This is a written application, in accordance with the Statute and Rules of the Court, submitted by the Government of the United States of America instituting proceedings against the Government of the Union of Soviet Socialist Republics on account of certain willful acts committed by military aircraft of the Soviet Government on September 4, 1954, in the international air space over the Sea of Japan against a United States Navy P2-V-type aircraft, commonly known as a Neptune type, and against its crew.

The subject of the dispute and a succinct statement of the facts and the grounds upon which the claim of the Government of the United States of America is based are adequately set forth in a note delivered to the Soviet Government on October 12, 1956. A copy of the note is attached to this application as an annex. The Soviet Government has asserted its contentions of fact and of law with reference to the United States Government's claim in other diplomatic correspondence on this subject, most recently in a note of January 21, 1957, a copy of which is also attached to this application as an annex.

2. The United States Government notes that the present dispute concerns matters of the character specified in Article 36 (2) of the Statute of

¹ For a statement by Ambassador Henry Cabot Lodge, see BULLETIN of Sept. 20, 1954, p. 417.

² For text of U.S. note of Oct. 12, 1956, see *ibid.*, Oct. 29, 1956, p. 677.

³ For text of Soviet note and U.S. reply of Aug. 19, 1957, see *ibid.*, Sept. 16, 1957, p. 471.

the Court, including subdivisions (a) through (d). As will be seen from the annexes, the legal dispute of the United States Government with the Soviet Government involves serious questions of international law. Among them are the validity of the Soviet Government's claim that it may, under international law, unilaterally extend its territorial limits in the international air space over the waters of the Sea of Japan in excess of three nautical miles from the mean low water mark of the shoreline of the Soviet-held land masses in this area. In addition there are involved the scope and application of international obligations relating to the flight of military aircraft claimed to be intruding and the interception of such aircraft and attack upon them by military aircraft of the government making such claim; the nature of the rights, prerogatives and powers of the United States Government to conduct flights of military aircraft in the international air space over the Sea of Japan; together with other issues of law and of fact which, if resolved in favor of the United States Government, would prove breaches of international obligation by the Soviet Government; and the nature and extent of reparations to be made by the Soviet Government for all these breaches.

The United States Government, in filing this application to the Court, submits to the Court's jurisdiction for the purposes of this case. The Soviet Government appears not to have filed any declaration with the Court thus far, although it was invited to do so by the United States Government in note 176 of August 19, 1957, a copy of which is also annexed hereto. The Soviet Government in a note dated October 10, 1957, which is made an annex to the present application, rejected the United States Government's invitation. The Soviet Government is, however, qualified to submit to the jurisdiction of the Court in this matter and may, upon notification of this application by the Registrar, in accordance with the rules of the Court, take the necessary steps to enable the Court's jurisdiction over both parties to the dispute to be confirmed.

The United States Government thus founds the jurisdiction of this Court on the foregoing considerations and on Article 36 (1) of the Statute.

3. The claim of the Government of the United States of America is, briefly, that the Government of the Union of Soviet Socialist Republics, on Sep-

tember 4, 1954, willfully and unlawfully caused fighter aircraft to penetrate into the international air space over the Sea of Japan and without any provocation to attack and cause the destruction of a Neptune type aircraft of the United States Naval Air Arm, then lawfully and peacefully flying in that air space; that, of the crew, one member was trapped in the wreckage of the Neptune and lost his life, and all the others, though ultimately rescued by search aircraft of the United States Government, suffered injuries and shock. The damages suffered by the United States Government for which the Soviet Government is liable are specified in the annexed note.

In diplomatic correspondence with reference to the matter, including the Soviet Government's note of January 21, 1957, all of which correspondence constitutes negotiations that must now be determined to have been exhausted, the Soviet Government has asserted a version of the facts and of the law contrary to that asserted by the United States Government.

A dispute is therefore presented which is appropriate for hearing and decision by this Court in accordance with the Statute and the Rules.

The United States Government, in further pleadings herein, will more fully set forth the issues of fact and the issues of law in this dispute. It will request that the Court find that the Soviet Government is liable to the United States Government for the damages caused; that the Court award damages in favor of the United States Government against the Soviet Government in the sum of \$1,355,650.52 with interest, and such other reparation and redress as the Court may deem to be fit and proper; and that the Court make all other orders and awards, including an award of costs, to effectuate its determination.

4. The undersigned has been appointed by the Government of the United States of America as its Agent for the purpose of this application and all proceedings thereon.

Very truly yours,

Loftus E. Becker
The Agent for the
Government of the
United States of America

THE REGISTRAR OF THE
INTERNATIONAL COURT OF JUSTICE,
The Haque.

September 15, 1958 421

Annexes:

- Note from the United States Government to the Soviet Government of October 12, 1956.
- Note from the Sovlet Government to the United States Government of January 21, 1957.
- Note from the United States Government to the Sovlet Government of August 19, 1957.
- Note from the Soviet Government to the United States Government of October 10, 1957.

SOVIET NOTE OF OCTOBER 10, 1957

No. 61/OSA

In connection with Note No. 176 of the Government of the United States of America dated August 19, 1957, the Government of the Union of Soviet Socialist Republics considers it necessary to state the following:

In its notes of September 5 4 and 8,6 1954 and in the note of January 21, 1957, the Soviet Government has already set down on the basis of factual information the conditions of the violation on September 4, 1954 of the state border of the USSR in the region of Cape Ostrovnoi by an American airplane of the type "Neptune".

From the above-mentioned notes of the Soviet Government it is clear that the American airplane violated the state border of the USSR in the region of Cape Ostrovnoi on September 4, 1954 and without provocation opened fire on Soviet intercepters guarding the state border of the USSR.

Taking into consideration that the facts of the violation by the American airplane of the state border of the USSR and of its firing upon Soviet airplanes fulfilling the function of defense of the state border of the USSR are exactly established and that, in view of this, responsibility for the above-mentioned incident lies fully on the American side, the Soviet Government does not see any basis for turning this question over for examination by the international court as is proposed in the note of the Government of the USA of August 19, 1957.

The Soviet Government confirms its notes of September 5 and 8, 1954 and of January 21, 1957.

Americans Advised Against Travel in Certain Areas of Austria

Press release 492 dated August 25

The Austrian Ministry of Interior has recently made the following announcement:

Shots from beyond the border, mine explosions, electric barbed-wire fences and possibly even abductions threaten anyone in the immediate vicinity of the border with Hungary or Czechoslovakia. The Austrian authorities cannot guarantee protection against these dangers but must warn urgently against approaching the immediate vicinity of the border, and bathing or fishing in border rivers.

Those who ignore this serious warning expose themselves to dangers for which the Austrian authorities must disclaim all responsibility.

The Department of State wishes to call this announcement to the attention of American citizens traveling in or planning to travel to Austria and urge them to exercise every precaution when journeying in the immediate area of Austria's eastern borders. They should, if at all possible, avoid travel into these areas except for the purpose of entering a neighboring country at an approved border crossing, in which case they should have a valid passport and visa authorizing entry into such country. Travelers are further reminded that in such areas certain actions, such as the taking of photographs in near proximity to the frontier, may be misinterpreted by border guards of countries on Austria's eastern borders and could result in unfortunate incidents.

The Department of State wishes to emphasize that the conditions prevailing in these immediate border areas do not apply to the rest of the Republic of Austria where general travel by American citizens is considered to be entirely safe and proper.

New Member of Advisory Commission on Educational Exchange Appointed

The Department of State announced on August 28 (press release 502) the recess appointment by the President of Franklin David Murphy, chancellor of the University of Kansas, as a member of the Department's Advisory Commission on Educational Exchange.

Other members of the Advisory Commission on Educational Exchange are R. H. Fitzgerald, chairman, chancellor emeritus, University of Pittsburgh; Arthur H. Edens, president, Duke University; Laird Bell, attorney, Chicago, Ill.; and Mrs. Anna L. R. Hawkes, president, American Association of University Women.

⁴ Ibid., Sept. 13, 1954, p. 365.

⁵ Not printed.

THE CONGRESS

Progress Report on the Agricultural Trade Development and Assistance Act

EIGHTH SEMIANNUAL REPORT ON ACTIVITIES UNDER PUBLIC LAW 480 JANUARY 1-JUNE 30, 1958!

To the Congress of the United States:

I am transmitting herewith the eighth semiannual report on activities carried on under Public Law 480, 83d Congress, as amended, outlining operations under the act during the period January 1 through June 30, 1958.

DWIGHT D. EISENHOWER

The White House, August 5, 1958.

THE WHITE HOUSE, Washington, July 31, 1958.

Memorandum for the President:

As Chairman, Interagency Committee on Agricultural Surplus Disposal, established by you on September 9, 1954, I am pleased to submit this eighth semiannual report on activities carried on under Public Law 480. I believe it to be in form suitable for your transmittal to the Congress as required by section 108 of the Act.

I wish I could say that as a result of operations under this authority our surpluses were declining or that they could be expected to reach more manageable proportions in the near term. I am, however, persuaded otherwise.

Barring eventualities not to be anticipated, the probability is that our surpluses will continue to be substantially above any normal or desirable carry-over for at least the next five years, even if

Public Law 480 operations continue at the current rate for that period.

In the past four years of such operations we have tended to look on the problem of our surpluses as a temporary one and thus to make decisions concerning them on a year-to-year basis. If my conclusion is justifiable, we would do well to base our thinking and planning on longer range considerations in the period immediately ahead.

CLARENCE FRANCIS

Introduction

This report deals with activities under the several Public Law 480 programs during the second 6 months of the fiscal year 1958. On June 30, 1958, Public Law 477 amended the act by adding new subsection 104 (k) to authorize the use of foreign currencies to finance scientific activities. Under the provision, foreign currencies can be used to collect, collate, translate, abstract, and disseminate scientific and technological information and to conduct and support scientific activities overseas.

The authority under titles I and II of Public Law 480, as amended, expired June 30, 1958. Another extension of these titles has been recommended.

SUMMARY

During the period January-June 1958, programing of surplus agricultural commodities under the three titles of the act totaled \$985 million, bringing to \$6,752.2 million the total value of programs since the beginning of operations under the act in July 1954.

¹H. Doc. 431, 85th Cong., 2d sess.; transmitted on Aug. 5. For texts of the first seven semiannual reports, see Bulletin of Jan. 31, 1955, p. 200; Aug. 1, 1955, p. 197; Jan. 23, 1956, p. 130; Aug. 6, 1956, p. 230; Feb. 4, 1957, p. 183; Aug. 12, 1957, p. 281; and Mar. 24, 1958, p. 476.

Since the beginning of the program, agreements for the sale of agricultural commodities for foreign currency under title I total \$4,004.4 million estimated CCC cost * (\$2,842.3 million at export market value), including \$713.2 million (\$543.3 million at export market value) in agreements signed during the period covered by this report.

Shipments under title I since the beginning of the program total about \$2,065 million at export market value, of which approximately \$400 million was shipped during the January—June 1958 period.

Cumulative anthorizations for emergency relief and other assistance abroad under title H of the act totaled \$461.5 million at CCC cost, of which \$77.2 million was authorized during this period. Cumulative donations for foreign and domestic relief through nonprofit voluntary agencies and intergovernmental organizations under title III of the act amounted to \$1,355 million at CCC cost, of which \$139 million was donated during this period. Cumulative barter contracts entered into under title III amounted to \$931.3 million at export market value, of which \$55.6 million represents contracts entered into during this period. Although the figures cited for the different types of programs are not comparable, they indicate the volume of commodities being moved or committed under these programs.

Title I. Foreign Currency Sales

AGREEMENTS SIGNED

Twenty-eight agreements, or supplements to agreements, involving a CCG cost of approximately \$713.2 million, were entered into with 20 countries during the period January–June 1958. The commodity composition, export market value, and CCC cost of these agreements are shown in table I.

Table 1. - Commodity composition of agreements signed, January-June 1958

| Country | Unit | Approxi- mate quantity | Export murket value | Esti- mated CCC cost |
|---|----------------|--|---|---|
| Wheat and wheat flour Feed grains Rice | . do | 1.89, 833, 000 2.51, 523, 000 1, 784, 000 3.598, 400 32, 650 53, 000, 000 670, 560, 000 83, 650, 000 1, 429, 000 | Million dollars 150, 6 50 0 11, 8 118, 5 27, 8 107, 9 9 3 5 | Million dollars 238 3 98 0 20. 2 143 4 27. 8 14. 4 107. 9 3 5 |
| Total commodities | | | 489. 9 53. 4 | 659. 8 53. 4 |
| Total, including oces | in transportat | 10 n | 543-3 | 713. 2 |
| Wheat and wheat equi 2 Corn. Oats. Barley. Rye Grain sorghums. | | | | 11, 945, 000 878, 000 24, 478, 000 3, 937, 000 10, 285, 000 |

³ Includes 20,000 bales long-staple cotton.

One hundred and thirty-five agreements, or supplements to agreements, with a total CCG cost of \$4,004.4 million, have been entered into with 37 countries since the inception of the program in July 1954. The commodity composition, export market value, and CCC cost of these agreements are shown in table 11.

Table 11.—Commodity composition of all agreements signed through June 30, 1958

| Commodity | Unit | Approximate quantity | Export market value | Esti- mated CCC cost |
|--|---|--|--|--|
| Wheat and wheat flour Feed grains Rice Cotton Cotton linters Meat products Tobacco Dairy products Fats and oils Ponltry Dry edible beans Fruits and vegetables Seeds | do Himdred- weight Bale do Pound do do do Himdred- weight Pound | 202, 258, 000 222, 175, 000 2, 436, 633, 000 5, 971, 000 48, 000 | Million dollars 1,028 0 192 8 181. 8 509. 9 3 39. 2 142. 3 43. 8 384. 7 1. 7 4 15. 2 4 | Million dollars 1, 732.1 335.6 288.8 681.4 .3 39.2 142.3 74.2 391.0 1.7 .4 |
| Total Ocean transportation Total, including ocea | | | 301. S | 3, 702. 6 301. 8 4, 004. 4 |

[|] Rariey | 3, 937, 000 | Rye | 3, 937, 000 | Grain sorghums | 21, 535, 000 | Total | 161, 870, 000

² As used in this report, CCC cost represents the cost of commodities to the Commodity Credit Corporation; including investment, processing, handling, and other costs. Export market value reflects the price at which these commodities are sold by U.S. exporters under the program. The export market value figures are less than the CCC cost for those commodities for which special export programs have been developed for dollar as well as foreign currency sales to meet competition in international trade. Because of procurement shortfall and reimbursements to CCC from sales of foreign currencies, the total cost to CCC will not exceed \$4,000 million under transactions through June 30, 1958. [Footnote in original.]

Includes 20,000 extra long-staple cotton.

SHIPMENTS

Title I shipments since the beginning of the program totaled approximately \$2,065 million at export market value through June 30, 1958, of which about \$400 million was shipped during the reporting period. The export market value of commodities programed under all agreements signed through June 30, 1958, was \$2,540.5 million (excluding ocean transportation costs).

Shipments during the reporting period increased substantially over shipments made during the June-December 1957 period. Total title I shipments for the fiscal year 1958, however, dropped sharply from the high levels reached in the fiscal year 1957. The drop in shipments resulted from reduced programing during calendar year 1957.

USUAL MARKETINGS

In accordance with the provisions of title I, appropriate assurances have been obtained from participating governments that reasonable safeguards will be taken that sales of agricultural commodities for foreign currencies shall not displace U.S. usual marketing or be unduly disruptive of world market prices. Also, sales for foreign currencies under title I generally have been made at prices comparable to those prevailing in the market for export sales for dollars.

ROLE OF PUBLIC LAW 430 PROGRAMS

Total United States agricultural exports for the fiscal year ending June 30, 1958, are estimated at about \$4 billion, compared with the record high of \$4.7 billion attained in the fiscal year 1957, \$3.5 billion in the fiscal year 1956, and less than \$3.2 billion in the fiscal year 1955.

Disposals under Public Law 480 have been a major factor in increasing agricultural exports; exports under this law have accounted for 26 percent of total agricultural exports for the 4-year period it has been in operation as shown in table III.

Public Law 480 shipments have represented an even more significant proportion of total U.S. exports of certain commodities as shown in table IV.

ACCOUNTING FOR TITLE I COSTS

The CCC cost of financing the exportation of surplus agricultural commodities for foreign currencies, included in agreements signed through

Table 111.--Exports of United States farm products under Public Law 480 compared with total exports of United States farm products by fixed years

| Programs | 1954-55 | 1955-56 | 1956 57 | 1957 581 | Total, 1954-58 1 |
|--|--------------------------------|--|---------------------------------|----------------------------------|------------------------------------|
| Public Law 480; Title I | Million dollars 73 83 | Mil ¹ ion dollars 410 91 | Million dollars 902 88 | Atillion dollars 650 92 | Million dollars 2,065 351 |
| Title III: Barter Donations | $\frac{125}{126}$ | 299 184 | 401 162 | 99 175 | 924 647 |
| TotalOther exports | 407 2,737 | 1,011 2,479 | 1, 553 3, 171 | 1, 016 2, 984 | 3, 990 11, 371 |
| Total exports | 3,144 | 3, 193 | 4, 724 | 4,000 | 15, 361 |
| Total Public Law 480 exports as percent of total exports | 13 | 21 | 33 | 25 | 26 |

¹ Partly estimated,

Table IV.—Exports under Public Law 480 compared with total United States exports of specified commodities, fiscal year 1958.

| Programs | Wheat 2 | Corn ³ | Rice | Cotton | Cotton- seed and soybean oil |
|---|---------------------------|--------------------------|---------------------------------------|-------------------------------|--|
| Public Law 480° Title I | Million bushels 175 | Million bushels 24 | Million hundred- weight 5, 0 | Thou- sand bales 860 | Million pounds 515 |
| Title II Title III Barter Donations | 15 10 18 | 6 12 10 | . 5 | 4 443 | |
| TotalOther exports | 218 188 | 52 143 | 6. 1 5. 9 | 1, 330 4, 370 | 515 460 |
| Total exports | 406 | 195 | 12 0 | 5, 700 | 975 |
| Total Public Law 480 exports as percent of total exports. | 54 | 27 | 51 | 23 | 53 |

¹ Partly estimated.

June 30, 1958, is estimated at \$3,702.6 million. This includes the export value of shipments from commercial stocks, the CCC acquisition cost of CCC-owned commodities at domestic support prices, cost of storage, processing, and inland transportation, and other costs of financing shipments. In addition, CCC is paying ocean transportation costs of \$301.8 million for commodities required to be shipped on privately owned U.S.-flag commercial vessels. The total estimated cumulative cost is \$4,004.4 million. (Because of procurement shortfall and reimbursements to CCC from sales of foreign currencies, the total cost to CCC will not exceed \$4,000 million under transactions through June 30, 1958.)

The U.S. Government is receiving foreign currencies in payment for the export market value of

² Wheat and wheat equivalent of flour.

Corn and corn equivalent of corn meal.
 Basis: invoices to contractors during period.

these commodities and the ocean transportation financed. The export market value of these commodities is \$2,540.5 million, which is \$1,162.1 million less than their estimated cost to CCC.

CCC is reimbursed for program costs each year by appropriation. Appropriations of \$1,995.3 million have been made to reimburse CCC for program costs as follows: fiscal year 1955, \$67.5 million; fiscal year 1956, \$637 million; and fiscal year 1957, \$1,290.8 million.

PROGRAMS FINANCED WITH PUBLIC LAW 480 FOREIGN CURRENCIES

Public Law 480 foreign currencies have been used to support a variety of programs authorized under the act. Certain of these foreign currency uses require reimbursement from appropriated dollars; others do not require such reimbursement.

Reimbursable uses.—Section 1415 of the Supplemental Appropriations Act of 1953 provides that certain foreign currency uses are chargeable to agency appropriations, the dollar proceeds to be credited to the CCC. This provision applies to the payment of U.S. obligations under section 104 (f) and to grants to foreign countries under sections 104 (d) and (e). The authority to waive this reimbursement requirement is vested in the President who has delegated the authority to the Budget Director.

Use of foreign currencies for the construction of military family housing abroad as authorized by Public Law 161, 84th Congress, supplements the current Defense Department construction appropriation. On the other hand, over the years, dollar reimbursement of the capital cost of the housing will be made to CCC out of appropriations for the quarters allowances of the personnel occupying the housing to the extent that the facilities are actually used. It is estimated that 15 to 20 years will be needed to effect full reimbursement without interest, assuming full occupancy and normal maintenance costs. Through June 30, 1958, \$132.7 million in foreign currencies had been earmarked for military family housing.

Nonreimbursable uses.—A. Public Law 480 authorizes nine uses of sales proceeds which permit an expansion of certain U.S. agency programs beyond current appropriations without reimbursement by the agency concerned. These nonreimbursable uses are pursuant to section 104 (a), (b), (d) when authorized, (f) for travel expenses

of congressional committees, (h), (i), two uses authorized by (j), and (k).

B. Economic development loans to the purchasing country are provided under section 104 (g) of the act. Section 104 (c) provides for military aid for the common defense. Section 104 (e) provides for loans to certain private investors and grants for economic development when waiver has been granted. The amount of \$1,914.2 million equivalent in foreign currencies is to be used for these purposes under agreements signed from the beginning of the program through June 30, 1958.

ADMINISTRATION OF FOREIGN CURRENCIES

Title I sales agreements include the terms for the deposit and use of currency proceeds. amounts of proceeds to be used for loans to the purchasing government under section 104 (g) and to private enterprise under section 104 (e) and the amounts for assistance to U.S.-sponsored schools and binational centers under section 104 (i) are stipulated in the agreement. amounts for other uses authorized by section 104 of the act may be shown in specific amounts for each use or as a combined total. The Treasury Department establishes and administers regulations concerning the custody, deposit, and sale of the currencies. As shipments are made, the foreign currencies received from these transactions are deposited to the account of the U.S. disbursing officer in the embassies. In accordance with the allocation and apportionment actions of the Bureau of the Budget, currencies are released by the Treasury Department to the U.S. agencies responsible for the various programs to be carried out under the sales agreements.

Agencies desiring to use currencies except those stipulated in the agreement for loans under sections 104 (e) and (g) apply to the Bureau for an allocation authorizing the use of the currency for the proposed program or project. Applications are reviewed by the Bureau in the light of discussion of currency uses held at the time of negotiation of the sales agreement, analysis of the requesting agency's program requirements in relation to available appropriated funds, and other possible competing uses for the currencies.

Agencies, however, must await apportionment of currencies by the Bureau of the Budget before incurring actual obligations against such allocations. The apportionment process is used by the Bureau of the Budget to insure that total obligations for all programs do not exceed actual currency availabilities, to permit some programs to go forward before receipt of total sales proceeds, and to permit further program review in the event of any changes in circumstances subsequent to the time of allocation.

The responsibility for administering the expenditure of foreign currencies is assigned by Executive order to various agencies as follows:

| Authority | Currency use | Responsible agency |
|-----------|--|--|
| Sec. 104: | | |
| (a) | Agricultural market develop- ment. | Department of Agriculture |
| (h) | Supplemental stockpile | Office of Defense Mobiliza- tion. |
| (e) | Common defense | International Cooperation Administration and De- fense Department. |
| (d) | Purchase of goods for other countries. | ICA |
| (6) | Grants for economic develop- ment. | 1CA |
| (e) | Loans to private enterprise | Export-Import Bank of Washington. |
| (f) | Payment of U.S. obligations | Any agency |
| (0) | Loans to foreign governments. | 1CA |
| (p) | International educational ex- change. | Department of State |
| (i) | Translation of books and periodicals. | U. S. Information Agency |
| (j) | American-sponsored schools and centers. | State and USIA |
| (k) | Scientific activities | Not yet assigned |

The following table V shows the status of foreign currencies by country.

Under agreements entered into during the January-June 1958 period the dollar equivalent of planned foreign currency uses for the purposes specified in section 104 of the act are shown in table VI.

Agricultural market development.—Section 104 (a): This provision established legislative authority for export market development in other countries on a mutually benefiting basis. A portion of the foreign currencies generated by title I sales is set aside to maintain or expand present export markets or to develop new markets abroad for U.S. agricultural commodities.

Increased emphasis has been placed upon convertibility of section 104 (a) funds in negotiating title I sales agreements. Where feasible and advantageous, efforts are being made to secure agreement of the purchasing country to conversion of a portion of the section 104 (a) funds to currencies of other countries in which there are market development opportunities.

Market development activities carried out to date include cooperator, Department of Agricul-

Table V.—Status of foreign currencies under Title I, Public Law 480

| Argentina 31.1 30.7 29.4 5.6 Austria 42.9 39.8 30.8 11.6 Bolivia 6.8 5.7 30.8 31.6 Brazil 179 163.7 20.1 21.4 11.7 Ceylon 6.3 37.2 38.8 6.0 Chile 39.6 37.2 38.8 6.0 China (Taiwan) 21.9 9.6 9.3 4.1 Colombia 38.7 35.0 22.0 11 Colombia 38.7 35.0 22.0 11 Egypt 19.6 18.6 19.2 3 France 29.7 7.7 2.0 7 Germany 1.2 1.1 1.2 2 Greee 66.0 59.6 50.9 36. Iceland 5.9 2.4 2.5 1. India 419.4 234.0 288.5 7. France 9.9 7.7 | | | | | |
|---|---|--------------------------------|---|----------------------------------|---|
| Million Million Million Million Million dollars cquivalent 31.1 42.9 30.7 30.8 30.8 11.6 | Country | amounts through June 30, | by Budget Bureau through Mar. 31, | through Mar. 31, | ments by agencies through Mar. 31, |
| Bolivia 6 8 brazil 5 7 brazil 179 9 brazil 163.7 brazil 68.2 str. 37. brazil 37. cr. 41. cr. 37. cr. 41. cr. 41. cr. 42. cr. 43. cr. 43. cr. 43. cr. 44. cr. | | dollars equivalent 31. 1 | Million dollars equivolent 2 30. 7 | dollars equivalent 2 29. 4 | Million dollars equivalent 3 |
| $ \begin{array}{c ccccccccccccccccccccccccccccccccccc$ | Bolivia Brazil Burma | 6 8 179 9 40.7 | 5. 7 163. 7 | 68. 2 | 37. 3 1. 2 |
| Egypt 19 6 18 6 19 2 3 Finland 36 0 37 7 25 6 23 France 29 7 7 7 7 2.0 23 Germany 1.2 1.1 1.2 2 Greece 66 0 59 6 50 9 36 Greece 66 0 59 6 50 9 36 Iceland 5 9 2 4 2 5 1 India 419 4 254 0 288 5 7 Indonesia 96 7 81 8 87 2 - Iran 12 4 11.9 12.4 7 Israel 92 6 68.5 70 3 37 140 Israel 92 6 68.5 70 3 33 141 140 140 Iapan 150.8 137.5 146.2 123 140 140 Iapan 150.8 137.5 146.2 123 181 180.9 72 Mexico 28.2 22 1 | Chile China (Taiwan) Colombia | 39. 6 21. 9 38. 7 | 9. 6 35. 0 | 9.3 22 0 | 6. 0 4. 8 11. 1 4. 3 |
| Iceland 5.9 2.4 2.5 1. India 419 4 254.0 288.5 7. Indianesia 96.7 81.8 87.2 1. Iran 12 4 11.9 12.4 7. Israel 92.6 68.5 70.3 37. Italy 152.9 134.2 100.1 40. Japan 150.8 137.5 146.2 123. Korca 132.0 81.7 80.9 72. Mexico 28.2 22.1 8.1 N Netherlands 3 2 3 3 Pakistan 186.1 132.6 135.3 35. Paraguay 3.0 3.0 2.9 2 Peru 25.2 16.1 12.2 9 Philippines 14.4 7.7 6.7 1 Poland 138.0 2.6 62.6 62. Portugal 7.1 5.4 7.1 | Egypt Finland France Germany | 36. 0 29. 7 1. 2 | 37 7 7 7 1.1 | 25. 6 2. 0 1. 2 | 3. 5 23. 5 . 5 |
| Israel 92.6 68.5 70.3 37. Italy 152.9 134.2 109.1 40. Japan 150.8 137.5 146.2 123. Korea 132.0 81.7 80.9 72. Mexico 28.2 22.1 8.1 Netherlands 3 2 3 3. 2. Pakistan 186.1 132.6 135.3 35. Paraguay 3.0 2.9 2.2 2. 16.1 12.2 9. Pertu 25.2 16.1 12.2 9. Philippines 14.4 7.7 6.7 1. Poland 138.0 2.6 62.6 6. 6. 6. 6. Portugal 7.1 5.4 7.1 5. 5. Spain 28.1 199.2 179.6 31. 19.2 179.6 31. Tbaland 4.6 4.0 4.1 1. 1. </td <td>Greece lceland India Indonesia</td> <td>5. 9 419-4 96. 7</td> <td>2 4 254.0 81.8</td> <td>2 5 288 5 87 2</td> <td>1. 5 7. 2 . 9</td> | Greece lceland India Indonesia | 5. 9 419-4 96. 7 | 2 4 254.0 81.8 | 2 5 288 5 87 2 | 1. 5 7. 2 . 9 |
| Mexico 28.2 22.1 8.1 Netherlands 3 2 3 2 Pakistan 186.1 132.6 135.3 35. Paraguay 3 0 3.0 2.9 2 Peru 25.2 16.1 12.2 9. Philippines 14.4 7.7 6.7 1. Poland 138.0 2.6 62.6 6.7 1. Portugal 7.1 5.4 7.1 5. Spain 283.1 199.2 179.6 31. Tballand 4.6 4.0 4.1 1. Turkey 162.6 132.1 104.6 14 United Kingdom 48.2 30.9 34.5 13. Viet-Nam 6.0 294.6 196.1 224.8 . | Israel Italy Japan | 92. 6 152. 9 150. 8 | 68, 5 134, 2 137, 5 | 70 3 109.1 146.2 | 37. 7 40. 0 123. 2 |
| Peru 25. 2 16. 1 12. 2 9. Philippines 14. 4 7. 7 6. 7 1. Poland 138. 0 2. 6 62. 6 62. 6 Portugal 7. 1 5. 4 7. 1 5. Spain 283 1 199. 2 179. 6 31. Tballand 4 6 4. 0 4. 1 1. Turkey 162. 6 132. 1 104 6 14 United Kingdom 48 2 30. 9 34. 5 13 Viet-Nam 6. 0 9 24. 6 186. 1 224. 8 . | Mexico Netherlands Pakistan | 28. 2 3 186. 1 | 22. 1 . 2 132. 6 | 8.1 .3 135.3 | 35. (|
| Spain 283 1 199.2 179.6 31. Tbailand 4 6 4.0 4.1 1. Turkey 162.6 132.1 104 6 14 United Kingdom 48 2 30.9 34.5 13. Viet-Nam 6.0 Yugoslavia 294.6 196.1 224.8 | Peru Philippines Poland | 25. 2 14. 4 138. 0 | 16.1 7.7 2.6 | 12. 2 6. 7 62. 6 | 9. 3 1. 7 |
| Viet-Nam. 6.0 294.6 196.1 224.8 | Spain Tbailand Turkey | 283 1 4 6 162.6 | 199. 2 4. 0 132. 1 | 179. 6 4. 1 104. 6 | 31. 1. 14 13. |
| | Viet-Nam Yugosiavla | 294. 6 | | | 550. |

Includes amounts specified in the agreements, to be used for loans under sections 104(e) and (g), not subject to allocation.

2 Calculated at the collection rates of exchange

Table VI.—Planned uses of foreign currency under agreements signed during January-June 1958

| | Million dollar equivalent | Percent of total |
|--|---------------------------------|---------------------|
| Agricultural market development (sec. 104 (a))1 Purchases of strategic material (sec. 104 (b))1 | 7. 8 | 1.4 |
| Common defense (sec. 104 (c)) | 51 0 | 9.4 |
| Purchase of goods for other countries (sec. $104 \text{ (d)})^{1}$ | | 1 7 |
| Grants for balanced economic development and | | |
| trade among nations (sec. 104 (e)). | 3.9 | . 7 |
| Loans to private enterprise (sec. 104 (e)) | 52. 7 | 9.7 |
| Payment of United States obligations (sec. 104 (f))1 | 221. 1 | 40.8 |
| Loans to foreign governments (sec. 104 (g)) | 190.4 | 35.1 |
| International educational exchange (sec. 104 (h))1 | 1.8 | . 3 |
| Translation, publication, and distribution of books and periodicals (sec. 104 (i))1 Assistance to American-sponsored schools, libraries | 1.4 | . 3 |
| and community centers (sec. 104 (j)) | 8. 6 | 1. 6 |
| Total | ² 542. 5 | 100.0 |

In order to provide flexibility in the use of funds, many agreements pro-In order to provide flexibility in the use of lunds, many agreements provide that a specified amount of local currency proceeds may be used under section 104 (a), (b), (f), (h), and (i). In some instances, possible uses under section 104 (d) are also included in this category. Therefore, estimates based on the best information now available are indicated above under subsections (a), (b), (h), and (i). Balances not otherwise distributed are included under subsection (f). This distribution is subject to revision when allocations have been completed.

2 Includes occan transportation financed by CCC.

³ Loan and grant disbursements calculated at collection rates; other disbursements calculated at Treasury selling rates.

ture, and trade fair projects. Cooperator projects to be carried out by U.S. trade and agricultural groups have been emphasized, and such projects have constituted the major effort under this program. However, two new types of activities have been developed in the reporting period which are expected to increase activity in the noncooperator area. First, the Agricultural Research Service has instituted a program of agricultural utilization research in foreign scientific institutions. This research, which may be fundamental or applied in nature, will be activated by means of grants or contracts. These studies are expected to lead to development of new uses for U.S. agricultural commodities and to aid in the expansion of export markets. During the reporting period, the program was initiated with three grants for work in Israel and eight grants for work in the United Kingdom were negotiated. Second, comprehensive economic studies are being contracted for by the Foreign Agricultural Service in countries which are important markets for U.S. agricultural commodities to determine long-range market development potentialities. Such studies will serve as program guides to market development.

Market development projects may be initiated by trade groups, private research organizations, institutions such as land-grant colleges, international organizations, or by the Department of Agriculture. Project proposals are evaluated on the basis of probable success in terms of the contribution to increased U.S. exports; long-range effects on total U.S. agricultural exports; the importance of the commodities involved to U.S. agriculture; the extent to which the proposal is in harmony with foreign trade policy and international obligations; and where trade groups are involved, the extent to which such groups represent commodity interests; and proposed financing.

Approved projects are carried out within the terms of market development agreements where trade groups are involved or in accordance with project statements where U.S. Department of Agriculture projects are concerned. Reports on project results serve cooperating trade groups directly and are made available to other interested trade groups.

During the reporting period, 64 new market development projects were put into operation, including trade fair activities. This brings the total number of projects to 227 since the market development program began in 1955. Foreign currencies obligated or authorized for projects approved in the January-June 1958 period totaled approximately \$3.5 million equivalent, bringing the total for market development activities to about \$12.6 million equivalent since the program began, including general operating costs and trade fairs. Cooperating trade and agricultural groups have contributed over \$3.7 million in funds, personnel, and services to date, bringing the overall program total to \$16.3 million (table VII).

Table VII.—Summary of section 104 (a) export market development projects for specified periods ¹

| Periods | Number of projects 2 | USDA con- tribution 3 | Cooperator contri- bution | Total |
|---|----------------------|---|-------------------------------------|--|
| Fiscal year 1956. Fiscal year 1957. July—December 1957. January—June 1958. | 17 94 52 64 | Thousand dollars 1, 426 5, 300 2, 385 3, 543 | Thousand dollars 165 2, 271 365 913 | Thousand dollars 1, 591 7, 571 2, 750 4, 456 |
| Total | 227 | 12, 654 | 3, 714 | 16, 368 |

1 Subject to adjustment upon final accounting.

Cooperator, trade fair, and Department of Agriculture projects.
 Approximate dollar equivalent of foreign currencies when projects

Project activities cover virtually all U.S. farm commodities including cotton; dairy products; fruits; grain and grain products, including rice and beans; livestock and livestock products; poultry and poultry products; seeds; soybeans and soybean products; and tobacco. In addition to trade fairs, types of market development activities include market surveys; promotion of better nutrition; demonstrations; exchange of trade personnel; commodity or product promotion, including advertising; and other market development techniques designed to expand export markets for United States agricultural commodities. Market development activities have been undertaken in 33 countries and with 46 trade and agricultural groups under this program to date.

Trade fairs.—During the reporting period, agricultural trade promotion exhibits were presented at three international fairs. This brings the number since the enactment of Public Law 480 to 23 international exhibits, reaching about 13.5 million people in 13 countries.

Exhibits of United States agricultural commodities in these fairs are organized through trade groups. Generally, a participating industry or trade group provides exhibit ideas, technical personnel, display materials, and, in some cases, commodities for use as samples. The United States Government organizes and manages the exhibits; rents space; arranges for design, construction, and operation of the exhibits; provides transportation of exhibit material and travel expenses and per diem of industrial technicians and commodity specialists participating in the cooperative arrangement.

One of the major agricultural exhibits during the first half of 1958 was the Japan international trade fair at Osaka where the United States cooperated with food trade groups in demonstrating the availability, quality, and uses of several U.S. agricultural commodies: wheat, tobacco, soybeans, tallow, and cotton. Participation in this fair enabled the United States to display its agricultural commodities to Far East consumers. Luncheons and conferences promoted increased trade contacts among businessmen attending the fair. The Department of Agriculture cooperated with the Office of International Trade Fairs, Department of Commerce, in demonstrating and exhibiting cotton textile processing at Poznan, Poland, during the reporting period. The Department's participation in this exhibit was designed to develop a future market for U.S. cotton in Poland by demonstrating the superior performance and quality of U.S. cotton. Demonstrations were arranged to show the Polish mills American techniques and methods of utilizing American cotton on American-made machinery.

Another exhibit during the period occurred at Varese, Italy, at the National Poultry Meat Fair. The exhibit was designed to develop markets in Italy and other European countries for U.S. feed concentrates, of which soybean meal is the principal ingredient, and feed grains. The demonstration informed poultry raisers of the area how more meat and more eggs can be obtained in less time and at less cost through the use of feeds which are available for export from the United States.

The distribution of samples of U.S. farm products is a feature often used in market promotion exhibits. Some of the product samples include recombined milk, ice cream and cheese, and bread and pastry from U.S. wheat and flour. The sampling process affords many people their first

opportunity to see and taste American farm products.

Purchase of strategic materials.—Section 104(b): No foreign currency was earmarked for this purpose under title I agreements entered into during the reporting period. The total amount of foreign currency earmarked through June 30, 1958, for the purchase of strategic materials remains at \$2 million.

Common defense.—Section 104(c): This section of the act provides for the use of foreign currency for the procurement of military equipment, materials, facilities, and services for the common defense. During the reporting period \$51.0 million equivalent was earmarked for this purpose, bringing the total amount planned for common defense to \$300.2 million. Table VIII summarizes the status of this program.

Table VIII.—Procurement of military equipment, materials, facilities, and services for the common defense since beginning of program

| Country | Amount planned through June 30, 1958 | Amount allocated by Bu- reau of the Budget through Mar. 31, 1958 | Purposes |
|----------------------------|--|--|---|
| Brazil | Thousand dollar equivalent 2,000 | dollar | Approximately \$300,000 will be required for the Inter-American Geodetic Survey (IAGS) mapping projects in Brazil. |
| Chile China_(Talwau) | 100 10, 900 | 90 4, 900 | remainder not yet programed. For IAOS mapping projects. Projects for Chinese military |
| Colombialran | 100 5, 900 | 7 5, 866 | forces. For IAOS mapping projects. Support of the military budget of the Iranian Government to |
| Japan Korea Pakistau | (²) 106, 800 79, 300 | (2) 65, 130 57, 454 | purchase specified items and services, including food, tires batteries, and other military equipment. U.S. military family housing See 104 (f) currency uses. Support of Korean military budget. About 50 perceut of these funds have been programed for procurement related to base construction; 30 percent for support of Pakistan defense bud |
| Peru Philippines | 100 3, 100 | 100 | get; remainder not yet appor tioned. For IAGS mapping projects. \$2.1 million for miscellaneous procurement related to base construction for the Philippine |
| United Kingdom Viet-Nam | (2) 3,000 | (2) | Government. U.S. military family housing. For support of Viet-Nam Defense |
| Yugoslavia | 88, 900 | 57, 666 | budget, For reconstruction of the Adri atic Highway (known a: Jadranski Put). |
| Total | 300, 200 | 193, 227 | |

¹ Allocation exceeds planued amount because of change in deposit rate.
² Currencies for military family housing, originally reserved under 104 (c), are now accounted for under 104 (f) together with other housing funds since these are retimbursable uses.

As indicated in the table through March 31, 1958, about \$193 million of the \$300.2 million equivalent planned for section 104(c) had been allocated, mostly in areas of large agreements: Korea, Pakistan, and Yugoslavia. Actual disbursements totaled about \$98 million equivalent through March 31, 1958.

Purchases of goods for other friendly countries.—Section 104(d): Several sales agreements provide that a portion of local currency sales proceeds may be used to finance purchases of goods or services for other friendly countries. In total \$37.9 million equivalent of these funds (at deposit rates) has either been specifically earmarked or allocated for this purpose. ICA is responsible for administering the use of these funds and by June 30 had developed plans for using \$23.2 million equivalent (at current exchange rates for exports) and expects to conclude negotiations shortly to use an additional \$5.4 million equivalent of funds allocated.

Table IX.—Section 104 (d) program as of June 30, 1958

| Sales proceeds | from | Purchases programed | or |
|--|--|---|----------------------------|
| Country | Amount | Country | Amount |
| Austria. Finland France. India. Italy. Japan. Total. | 3. 6 4. 6 6. 0 10. 0 10. 9 | Burma. China (Taiwan) Indonesia. Israel. Korea. Ryukyu Islands. Spain. Viet-Nam. Total. Adjustment (difference in exchange rates) Grand total. | 1. 1. 5. 2. 3. |

¹ The dollar equivalent value assigned to sales proceeds earmarked or allocated reflects deposit rates agreed upon at the time the sales agreements were negotiated. The dollar equivalent value assigned to currencies programed for purchases reflects current exchange rates for exports.

During the reporting period, an allocation of \$13.0 million equivalent of finnmarks, valued at the rate at which deposits were made, was reduced to \$3.6 million equivalent. Consideration of a program to finance the purchase of ships for four Southeast Asia countries with finnmarks has been postponed.

It is the policy of the United States not to make advance commitments either to use these funds for purchases of specific commodities or to buy goods for a specific country. Standards conforming as closely as possible with commercial practices have been established for the use of these funds. These are designed to avoid undue disruption of normal trade patterns and to assure that purchases are made at competitive prices.

Grants for economic development.—Section 104(e): A sales agreement signed recently with Ceylon provides for a grant of \$850,000 equivalent of foreign currency proceeds to accelerate the expansion of the faculties of the University of Ceylon in engineering, science, and agriculture. This grant was made on the basis that an important way of promoting economic development is to help the less developed countries to improve and expand their educational systems, including basic elementary, secondary, and college education, as well as vocational training.

Loans to private enterprise.—Section 104 (e): Public Law 128, approved August 13, 1957, amended section 104 (e) to provide that up to 25 percent of foreign currencies generated under each title I agreement shall be made available for loans to private business firms through the Export-Import Bank of Washington.

Under this legislation the bank may lend these currencies to (1) U.S. firms or their branches, subsidiaries, or affiliates for business development and trade expansion in the foreign country or (2) either U.S. or firms of that country for expanding markets for, and consumption of, U.S. agricultural products abroad. The law requires that the loans be mutually agreeable to the Export-Import Bank and the foreign country. It prohibits loans for the manufacture of products to be exported to the United States in competition with U.S. produced products, or for the manufacture or production of commodities to be marketed in competition with U.S. agricultural commodities or the products thereof. Loans are made and are repayable in the applicable foreign currency, and it is contemplated that the interest rates will be similar to those charged for comparable loans in the foreign country and the maturities similar to those in comparable Export-Import Bank dollar loans. Applications for loans are received either directly at the Export-Import Bank in Washington, D.C., or at the U.S. embassy abroad.

During the reporting period, 25 percent of the sales proceeds under the agreements concluded with Ceylon, China (Taiwan), Colombia, Ecuador, Finland, France, Iceland, India, Israel, Italy, Peru, the Philippines, and Viet-Nam, 15 percent

under the agreement with Turkey, and 4 percent in the case of Korea will be made available for this purpose. These amounts total the equivalent of \$52.7 million and bring the cumulative total set aside for private enterprise loans to the equivalent of \$88.4 million.

Eleven loans of Mexican pesos, the equivalent of more than \$3 million have been authorized by the bank. There has also been a heavy demand for loans of foreign currencies to private enterprise in several other countries, particularly Colombia, France, and Israel. For recently concluded agreements, currencies will not be available until commodities are shipped and paid for and a portion of the proceeds assigned to the Export-Import Bank.

Military family housing.—Public Law 765, 83d Congress, as amended, authorizes the use of up to \$250 million worth of foreign currencies generated by title I sales or other transactions of the CCC for the construction, rent, or other acquisition of United States military family housing and related community facilities in foreign countries. This legislation further provides that CCC shall be reimbursed from appropriations otherwise available for the payment of quarters allowances to the extent the housing is occupied.

During the reporting period the equivalent of \$26.5 million was earmarked for this purpose under new agreements, \$11 million for Spain, \$9.5 million for the United Kingdom, and \$6 million for France. Cumulative data are presented in table X.

The funds will be used for military family housing in these countries except that in the case of Austria and Finland housing materials will be purchased for use in other countries.

Of the total \$132.7 million equivalent planned, \$84.8 million has been allocated for the construction of 8,708 housing units; 2,205 of these units have been completed and occupied in the United Kingdom and Japan.

Payment of United States obligations.—Section 104 (f): Under agreements signed during the reporting period, \$190.4 million equivalent was tentatively earmarked for the payment of United States obligations. This brings to a total of \$781.5 million equivalent the amount potentially available for this use under agreements signed since the start of the program. Included in this total are funds available for other purposes des-

ignated in agreements but for which the amounts have not been specified.

United States agencies requiring foreign currencies for the payment of United States obligations purchase them with appropriated dollars from the Treasury through the United States disbursing officers in the embassies. The dollars derived from these sales are credited to CCC.

Table X.—Tentative carmarking of foreign currency for military family housing since beginning of program

| | Planned under agree- ments | Allocated by Bureau of the Budget through Mar. 31, 1958 |
|----------------|----------------------------------|---|
| | equivalent | Million dollars equivalent |
| Austria | 8.7 | 8.7 |
| France | 6.0 | |
| Finland | 7.0 | 4.6 |
| ltaly | 13. 0 | 7. 7 |
| Japan | 1 25, 0 | 17.0 |
| Portugal | 1.5 | 1.5 |
| Spain | 27.0 | 14.6 |
| United Kingdom | 2 44. 5 | 30.7 |
| Total | ³ 132. 7 | 84.8 |

\$10.5 million of this will be released for other purposes.
 Includes approximately \$4.5 million worth of pounds planned for housing

in Bermuda.

* Total does not include \$50 million barter transaction for housing in France reported in sixth semiannual report.

Through June 30, 1958, the Treasury had been authorized to sell \$261.3 million in foreign currencies to agencies for any purpose for which appropriated dollars were available. As of June 30, total reimbursements to CCC were \$145.2 million.

In a few countries balances available for allocation to the Treasury are accumulating in excess of anticipated agency needs for some years to come.

Loans to foreign governments.—Section 104 (g): Sales agreements signed through June 30, 1958, provide that about \$1.5 million equivalent of foreign currency proceeds may be used for loans to foreign governments to promote economic development and multilateral trade under section 104 (g) of the act.

Over two-thirds of these currencies are covered by loan agreements. As of June 30, 1958, loan agreements have been executed with 23 countries, providing for establishment of lines of credit in foreign currencies of up to \$987 million equivalent. This includes \$4.5 million equivalent of loans made to finance purchases of goods in other countries under section 104 (d) of the act. During the January-June 1958 period, loan agreements totaling \$190 million equivalent have been negotiated with Argentina, Austria, Colombia, Finland, Israel, Italy, Pakistan, Peru, and Yugoslavia.

Table XI.—Public Law 480 loan agreements under section 104 (g) signed as of June 30, 1958 1

| Country | January-June 1958 | Orand total |
|------------|----------------------|-----------------|
| | Million dollars | Million dollari |
| Argentina | 2.3 | 2.3 |
| Austria | 10.3 | 26, |
| Brazil | | 149. |
| Burma | | 17. 3 |
| Chile | | 31. |
| Colombia | | 22.5 |
| Ecuador | | 6. |
| Finland | | 3 14. (|
| 3rcece | | 26. 1 |
| celand | | 2.3 |
| ndia | | 234. |
| ndonesia | | 12.0 |
| srael | | 4 60. |
| taly | | 81. |
| apan | | 108.9 |
| Mexteo | | 13.6 |
| Pakistan | | 23. 6 |
| Paraguay | | 2.5 |
| eru | | 12.6 |
| Portugal | | 3. |
| pain | | 10. |
| Chailand | | 10. |
| Yugoslavia | | 135. |
| Total. | 190. 0 | 986. |

Loan agreements provide for establishment of lines of credit in foreign currencies up to the amounts stated. Shortfalls in deliveries of commodities and thus in the amount of foreign currencies deposited may result in a decrease in the amounts which will become available for loans.

2 The dollar equivalent value assigned to foreign currencies covered by agreements reflects deposit rates agreed upon at the time the sales agreements reflects deposit rates agreed upon at the time the sales agreements.

were negotiated.

3 Excludes an exchange loss of about \$5.1 million equivalent resulting from

Negotiations are continuing to conclude agreements covering the remainder of funds which are available or will become available for loans to foreign governments. During fiscal year 1958, such negotiations were conducted at the same time that sales agreements were being discussed to the maximum extent practicable. Sales agreements are usually signed in the foreign capitals by the U.S. Ambassador and a representative of the foreign government. Loan agreements, however, are signed in Washington since the Export-Import Bank acts as agent for the U.S. Government in these transactions under specific authorization by ICA. Therefore, even though substantive agreement has been reached on the terms of the loan at the time a sale is negotiated, there may be some delay in completing the actual signature of the loan documents in Washington. Loan agreements specify the terms and conditions of repayment which have been developed in cooperation with the National Advisory Council on International Monetary and Financial Problems. though these are foreign currency loans, the loan agreements are denominated in dollars to maintain the dollar value of the foreign currency in the event of exchange-rate fluctuations. Loans are repayable in dollars or foreign currency; strategic materials may be accepted in repayment upon agreement on prices and terms. Loans made pursuant to sales negotiated after September 1957 require an interest rate of 4 percent if repaid in dollars and 5 percent if repaid in foreign currency. Prior to that time, interest rates were 1 percent lower.

Foreign governments are being encouraged to reloan some of the funds available to them under section 104 (g) to private borrowers. agreements to set aside a certain portion of these funds for this purpose, however, are no longer being sought in current sales negotiation in view of the amendment to section 104 (e) which specifically provides for loans to private enterprise. As a result of negotiations relating to earlier agreements, at least \$250 million equivalent has been reserved for this purpose and foreign governments have agreed that funds will be made available to private borrowers on a nondiscriminatory basis as to interest rates and other loan terms and conditions as between its citizens, United States nationals, and nationals of other friendly countries.

Projects approved.—Projects involving expenditures of up to \$581 million equivalent have been approved, including \$118 million during the reporting period. Some of these projects, particularly in Brazil, India, Italy, Israel, and Japan, include re-lending to private enterprise. Approved projects, for example, in some Latin American countries, Iceland, and Japan, will provide financing for a portion of the local costs of projects whose foreign exchange costs are being financed by the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, or the International Cooperation Administration. Some loan funds are being used to supplement public expenditures for roads, port and storage facilities, and other improvements.

Conclusion of loan agreements and development and approval of projects are the major steps which must be completed by the U.S. Government and the borrowing country before disbursement of loan funds may be authorized. But loan funds

devaluation of the finnmark. Includes agreements signed pursuant to section 104 (d) transactions.

Table XII.—Public Law 480 loan projects approved as of June 30, 1958

Table XII.—Public Law 480 loan projects approved as of June 30, 1958 1—Continued

| Country | Janu- ary-June 1958 ² | Cumu- lative ² | Description of projects |
|------------------|--|---|--|
| Austria | Million dollars equira- lent | Million dollors equiva- lent 16.0 | Industrial projects, including electric power, iron and steel, metal proc |
| Brazil | | \$ 31, 32 | essing, textile industry, etc. 14.2 tourism, 1.0; regional development, 0.8 Agricultural silo facilities, 4.9; extension and rehabilitation of railways, 13.5; river navigation and portimprovement, 2.7; metallurgical works, 3.6; cold storage meat plants, 0.9; electric energy produc- |
| | | 117. 9 | tion, 4.5. Expansion of hydroelectric and power production, railway construction, expansion of iron and |
| Chile | 27.7 | 31.7 | steel production. Highway and port improvement, 13.0; Irrigation, drainage, and forestry, 5.3; food processing facil- tities 4.9; housing, 3.0; agricultural |
| Colombia | 12. 2 | 22. 2 | training center and experiment station, 3.0; coal industry, 2.5. Revolving loan funds for various purposes, including development of mining, lumher, and livestock production, farm-to-market roads, |
| Ecuador | | 6.3 | and food storage facilities. Agricultural credit system in tropical coastal area, 3.1; loans to agricul- tural producers, 2.0; industrial de- velopment, 1.0; highway improve- |
| Finland | 14.0 | 14. 0 | ment and maintenance, 0.2. Construction: Hydroelectric plant, 10.9; fluting board plant, 3.1. |
| Greece | 3. 6 | 23. 5 | Extension and modernization: Roads and bridges, 9.0; electrical grid, 3.3. Workers' low cost housing, 2.0; |
| | | | small community works, including access roads, water installations, and range control, 6.0; vocational education, 0.2; Foreign Economic Development Finance Corpora- tion, 3.0. |
| lceland India | | 2 2 55.0 | Hydroelectric plant. Loans through Refinance Corpora- |
| [srae] | 6.5 | 43. 3 | tion of India to private industry. Irrigation, well-drilling, and agricultural development, 6.7; agricultural settlements (construction of farm buildings), 2.8; land preparation, 0.4; agricultural research studies, 0.3; afforestation, 0.4; development of roads, 4.7; development of rail-ways, 1.4; electric power construction, 6.5; honsing development, 3 1; development of telephone services, 2.1; industrial expansion, 13.1; loans to small industries, 0.9; appearage. |
| Italy | 51 2 | 81. 2 | ment of exports, 0.8. Industrial development in Southern Italy, 32.6; revolving loan fund— tourist facilities, 8.0; loan for indus- trial export promotion, 11.0; loan fund for creation of small land owners, 8.0; loans to small pro- ducers for expansion of livestock production, marketing and pro- cessing facilities, 8.0; vocational |
| Japan | | 59. 5 | education, 13.6. Electric power development, 50.7; irrigation drainage and reclama- tion, 8.4; productivity center, 0.4. |
| | | 49. 35 | Electric power development, 21.9; frigation and land development, 12.7; land reclamation for industrial sites, 1.9; productivity center 2.8; forest development, 2.8; industrial marketing and processing, 4.5; im- provement of fishing port facilities, 1.9; silk center, 0.4; undetermined, |
| Paraguay | | 2. 2 | 0.5. Highway and bridge construction and improvement, 0.7; airport development, 0.2; sewerage system, 0.7; agricultural development (pri- |
| Peru | 2 8 | 12. 6 | o. 7, agricultural development (pri- marily coffee), 0.6. Irrigation and land development, road and dam construction; expan- sion of agricultural research station; leather products production; loans |

| Country | Janu- ary-June 1958 ² | Cumm- lative ? | Description of projects |
|----------|---------------------------------------|---|--|
| Portugal | Million dollars equiva- lent | Million dollars equiva- lent 3. 4 9. 0 | Storage facilities for bananas and cereals. Reforestation and watershed control. 5.1; small irrigation projects for non-citrus fruit and vegetable production, 2.6; soil conservation, 0.3; land consolidation, 1.0. |
| Total | 118.0 | 580. 7 | |

¹ This tabulation includes only projects approved within current loan agreements. Projects which may have been tentatively approved prior to completion of loan agreements are not included.

Approval of projects allows expenditures of up to the amounts stated.
 The total amount available for these projects would decrease if the amount available for loans is less than that anticipated.
 Projects total \$30.1 million equivalent because of probable shortfall in

an funds available.

may not actually be available for disbursement for some time even after these steps have been completed for the following reasons:

First, funds are not available for loans or for any other purpose until the foreign currencies have been deposited to the U.S. account. Foreign governments deposit currencies as the surplus commodities are purchased through private trade channels in the United States, pursuant to authorizations issued by the Department of Agriculture. A reasonable time must be allowed to make these purchases and arrange for shipment of the commodities. Depending upon the size of the sales agreement, the commodities involved, and other factors, 3 months to a year or more may be required to complete shipment of all commodities included in a sales agreement.

Second, funds do not usually become available for loan disbursement until the full amount of the sales proceeds earmarked for all other purposes has been deposited to U.S. account. Under the terms of the sales agreement, the United States has the right to determine the order and priority of expenditures of foreign currencies among the various purposes specified in the agreement. Recent sales agreements provide that shortfalls in the expected accrual of foreign currencies which may result from the failure to purchase the full amount of commodities included in the agreement, or for other reasons, are deductible from the amounts set aside for loans under section 104 (g). In order to earry out this provision, apportionments of loan funds may be delayed until there is reasonable assurance that the full amount of the planned foreign currency proceeds will be deposited.

Table XIII summarizes the status of the Public Law 480 loan program as of March 31, 1958. A total of \$1,378 million equivalent was reserved for loans under section 104 (g) in all sales agreements concluded up to that time. A total of \$911 million equivalent of deposits was available for loan purposes; that is, in almost every instance this was the amount of funds on deposit in excess of that required for all other foreign currency uses specified in the sales agreements. Agreements providing for loans of \$863 million equivalent had been signed. Projects had been approved providing for expenditures of up to \$527 million equivalent, covering 60 percent of the amount included in loan agreements. About 43 percent of the deposits, or \$391 million equivalent, had been made by countries which had also signed loan agreements and for which loan projects had been Over two-thirds of these funds, approved. amounting to \$263 million equivalent, had been disbursed by ICA through March 31, 1958, and additional disbursements will be made as work on projects proceeds and additional funds are required.

Of the remaining \$520 million equivalent of deposits, disbursements could not take place either because loan agreements had not been signed or projects had not been approved. About 80 percent of this amount had been deposited to U.S. account by six countries, including Indonesia, Italy, Spain, Turkey, India, and Yugoslavia. Loan agreements were pending at that time with the first four of these countries named, and in the last two countries mentioned delays in approving loan projects had also held up disbursement of funds.

International educational exchange.—Section 104 (h): The educational exchange program is authorized by Congress to help promote mutual understanding between the people of the United States and those of other countries.

Based upon the planned uses of foreign currency under title I agreements signed from the beginning of the program through June 30, 1958, the Department of State has entered into 14 new executive agreements or amendments and extensions of previous agreements in support of educational exchange programs as provided in Public Law 584, 79th Congress (the Fulbright Act). These are summarized in table XIV.

Because of the time required to (1) negotiate binational agreements which are prerequisites to

Table XIII.—Status of loan program under section 104 (g), as of March 31, 1958

| | Amount | Loan agr | reements | | I | | | |
|--|--|--|--|----------------------------------|--|---|--|----------------------------------|
| Country | earmarked by sales agreements | Signed | Pending | Projects approved | Total | Loan agree- ments signed and projects approved | Loan agree- ments or projects pending | Disburse- ments by ICA |
| Argentina | Million dollars equivalent 20. 0 26. 4 | Million dollars equivalent 16.0 | Million dollars equivalent 20.0 10.4 | Million dollars equivalent | Million dollars equivalent 18. 2 15. 0 | Million dollars equivalent | Million dollars equivalent 18. 2 | Million dollars equivalent |
| Bolivia Brazil Burma Chile Colombia | 5, 4 149, 2 18, 1 31, 7 26, 5 | 149. 2 17. 3 31. 7 22. 2 | (²) . 8 | 149. 2 31. 7 22. 2 | 37. 7 17. 0 30. 3 15. 0 | 37. 7 30. 3 15. 0 | 17. 0 | 22. 5 2. 1 9. 0 |
| Eenador Egypt. Finland Greece Lecland | 6, 3 13, 6 14, 0 37, 5 2, 2 | 6.3 14.0 26.5 2.2 | 13. 6 | 6, 3 14, 0 19, 9 2, 2 | 4. 9 13. 3 14. 0 26. 7 1. 9 | 4. 9 14. 0 19. 9 1. 9 | 13. 3 | 3.5 14.0 18.2 1.5 |
| Indla Indonesia Iran Israel Italy | 234. 1 79. 0 2. 5 57. 8 100. 6 | 234. 1 57. 8 30. 0 | 79. 0 2. 5 | 55. 0 | 160, 2 67, 5 6 41, 2 65, 4 | 55. 0 41. 2 30. 0 | 105. 2 67. 5 . 6 | 36. 8 22. 0 |
| Japan Mexico Pakistan Paraguay Peru | 108, 9 13, 6 54, 4 2, 2 10, 4 | 108. 9 13. 6 23. 6 2. 2 9. 8 | 30.8 | 108. 9 | 23. 6 2. 1 8. 1 | 2. I 8. I | 23. 6 | 2. I 7. 0 |
| Philippines Portugal Spain Thalland Turkey | 5. 2 3. 4 143. 2 2. 1 73. 9 | 3. 4 10. 5 1. 0 | 5, 2 132, 7 1, 1 73, 9 | 3.4 9.0 | 3, 4 108, 1 1, 6 48, 6 | 3. 4 9. 0 | 99. 1 1, 6 48, 6 | 3.4 |
| Yugoslavia. Total. | 1,377.5 | 82. 7 863. 0 | 52, 6 509, 1 | 526. 9 | 910. 8 | 391. 2 | \$2. 7 519. 6 | 263. 1 |

¹ Deposits in excess of amounts required for all other purposes of section 104 specified in sales agreements except in those instances in which larger apportionments of funds for 104(g) have actually been made.

² Sales agreement expired with no sales having been made.

additional exchange programs as authorized under Public Law 584, and (2) plan annual programs on a truly binational basis, activities under the program proceeded slowly at first. The Department of State had no active programs supported under Public Law 480 during fiscal year 1955. In fiscal year 1956, only one program was actively in operation and only 23 grantees—students, teachers, lecturers, and professors—were exchanged. In fiscal year 1957, however, 290 grantees were exchanged. In fiscal year 1958, 1,056 grantees were exchanged making a total of 1,369 grantees who have participated in the program.

Translation, publication, and distribution of books and periodicals.—Section 104 (i): The U.S. Information Agency's program consists of assistance to countries concluding title I agreements for the translation, publication, and distribution of U.S. and U.S.-oriented textbooks at prices which students and ministries of education can afford to pay.

During the past 6 months, foreign currencies apportioned to the Agency were used to initiate the following textbook programs (in dollar equivalent): Austria, \$75,000; Colombia, \$50,000; and Turkey, \$100,000. The finnmarks, \$250,000 equivalent, apportioned to the Agency were used to purchase paper in Finland for book programs in paper-short countries in the Near East. The previously proposed textbook program for Spain was postponed indefinitely.

Assistance to American-sponsored schools, libraries, and community centers.—Section 104 (j): Under this authority, programs for the expansion and improvement of American-sponsored schools overseas to demonstrate American educational practices are developed by the Department of State and plans for the acquisition, expansion, and improvement of facilities of binational cultural organizations abroad are prepared by the U.S. Information Agency.

In accordance with section 203 of the United States Information and Educational Exchange Act of 1948, as amended, allocations have been approved for foreign currencies under section 104 (j) for the support of 17 schools in 7 countries. The amount in dollar equivalent for each of the countries in which these schools are located is: Brazil, \$565,000; Colombia, \$600,000; Ecuador, \$220,000; Greece, \$500,000; Italy, \$1 million;

Peru, \$235,000; and Turkey, \$1 million. Of the \$4,120,000 equivalent allocated, during fiscal year 1958 grants in aid were concluded in the amount of \$2,877,000.

The U.S. Information Agency's assistance to qualified binational center organizations includes the construction, purchase, or improvement of buildings, acquisition and installation of fixtures

Table XIV.—International educational exchange agreements concluded since beginning of program

| Country | Executive agreements concluded |
|-------------------|--------------------------------------|
| | Thousand dollar |
| | couiralent |
| Argentina | 60 |
| Brazil | 99 |
| Thile | 50 |
| China (Taiwan) | 7 |
| Colombia | 50 |
| Equador | 36 |
| Finland | 2 |
| ran | 7. |
| | 2, 00 |
| apan. Pakistan | 1.0. |
| Paraguay | 1, |
| | 5 |
| Peru. | 40 |
| Phailand | 7 |
| Pnrkey | |
| Total | 9.5 |

and equipment, and the prepayment of leases for 3 years or more.

During the reporting period, foreign currencies have been apportioned to assist binational organizations in three countries. The equivalent of \$190,000 in foreign currency in Colombia is being used to assist in paying for the construction, or for the purchase, of buildings to house qualified binational centers in Bogotá, Medellín, Barranquilla, and Cali. In Peru, the foreign currency equivalent of \$85,000 is being used to assist in the construction of new buildings for established binational centers in Lima and Trujillo. About \$500,000 in foreign currency is being used in Turkey to acquire a headquarters building for the Turkish-American Association in Ankara. During the same period, foreign currencies were allocated for projects in Brazil.

Scientific activities.—Section 104 (k): This new currency use was discussed in the introduction of this report. Since this use was authorized on June 30, 1958, there was no activity during the reporting period.

Title II

Title II of Public Law 480 authorizes the use of up to \$800 million of commodities held in stock by

CCC to help friendly foreign people to meet famine or other urgent or extraordinary relief requirements. Payment of ocean-freight costs for these commodities, as well as for donations of surplus foods for use abroad under title III of the act, may be financed from this authorization.

ICA is responsible for administering the program and during the reporting period authorized shipment of \$57.9 million of commodities, including \$54.1 million of bread grains, coarse grains, and rice; \$3.8 million of milk and milk products; and \$35,000 of raw cotton. In addition, payment of \$6.7 million of ocean freight costs on these shipments was authorized, as well as \$12.6 million of freight costs on title III donations. Authorizations for the year as a whole totaled \$117.7 million, including \$82.6 million of commodities and \$35.1 million of ocean transportation costs. Over the 4-year period ending June 30, 1958, \$461.5 million has been obligated.

Programs undertaken during the last 6 months are illustrative of the scope of this legislation. About 65,000 metric tons of wheat, valued by CCC at \$12 million, are being made available to Lebanon to assist people affected by severe drought and crop failure, as well as by the current hostilities. Prolonged drought in Jordan resulted in an acute need for emergency distribution of food and feed grains and \$3.8 million of these commodities are being supplied. About 3,000 tons of wheat were programed for Libva to relieve hardship resulting from severe drought in some parts of the country, coupled with unemployment arising from the withdrawal of some of the British troops formerly stationed there. In Tunisia, severe unemployment and emergency famine conditions will be relieved by public works projects and workers will be paid partly with wheat supplied by the United States. In another program for Tunisia, undertaken at the request of the United Nations High Commissioner for Refugees, wheat, cheese, and nonfat dry milk, valued in all at \$6.2 million, are being furnished to meet urgent relief needs of Algerian refugees. Over \$9 million of wheat flour and rice were supplied to needy persons in Ceylon who suffered from a flood which created widespread havoc and damage to food stocks, reservoirs, and farm land. About 20,000 tons of wheat were furnished to Nepal to prevent famine and serious social unrest which otherwise would have resulted from

major crop failures caused by two successive drought years. In order to deliver the grain before the monsoon season, the Government of India agreed to advance the wheat from its stocks against replacement shipments from the United States. Nepal also requested emergency food relief from Canada and Australia. Food stocks were seriously reduced in the Ryukyu Islands as a result of Typhoon Faye and 6,700 tons of rice were shipped to help persons who suffered from this emergency.

About \$2.8 million of wheat flour and \$2.0 million of nonfat dry milk were sent to Italy to continue the U.S. contribution to the school lunch program for needy Italian children and to extend the program further into depressed areas. About 36,000 tons of wheat flour and 6,000 tons of corn meal with a total value of \$7.8 million were also supplied to Italy for a rural assistance program. The earlier U.S. commitment to help the Austrian Government meet the emergency costs of the influx of Hungarian refugees is being concluded by shipment of about \$8 million of corn.

At the request of one of the U.S. voluntary agencies, 200 bales of raw cotton with a CCC cost of about \$35,000 were supplied for the production of cotton-stuffed comforters for China (Taiwan). The voluntary agency will furnish the other materials and labor required in the manufacture of the comforters and will arrange for free distribution to the needy. Some changes were made in connection with a previous program for Peru under which grains were supplied for drought relief in the southern part of the country. It was found that the full amount of the food grains authorized was not needed and that up to 1,500 tons of nonfat dried milk should be supplied instead. The net result of this revision is a reduction of about \$2.0 million in the cost of all commodities supplied to Peru under this program.

Title III

Title III of the act covers donations of surplus foods for domestic use and for distribution abroad by nonprofit voluntary agencies and intergovernmental organizations. Title III also covers CCC barter activities.

Section 302, domestic donations.—During the January-June 1958 period, the distribution of surplus commodities to domestic outlets has been made under authority of Public Law 480 and

under authority of section 32 of the Agricultural Act of 1935, as amended.

For this reporting period, domestic donations totaled approximately 500 million pounds, of which about 300 million pounds, valued at \$28 million, were distributed under title III. Domestic recipients of these commodities included more than 13.6 million children in public and private schools, 1.4 million persons in charitable institutions, and about 4 million needy persons in family units. Cheese, dry milk, flour, corn meal, and rice were available for distribution throughout the period January–June 1958—and butter was available for welfare distribution beginning April 1.

Section 302, foreign donations.—Section 302 of the act authorizes donations of surplus foods in CCC stocks to nonprofit, voluntary relief agencies of the United States and to intergovernmental organizations such as the United Nations Children's Fund to assist needy persons in friendly countries abroad. Most of these agencies have been carrying on regular relief distribution programs around the world for many years. The availability of surplus foods permits them to distribute substantially larger amounts of relief foods than would be possible from private financing.

Under this authority the costs of processing, packaging, and other related matters are paid by the United States. The Agricultural Act of 1956 permits the use of title II funds to finance the ocean-freight costs of these shipments. some instances ocean-freight costs are paid in whole or in part by the voluntary relief agencies or the government of the recipient country. In all instances, foreign governments accord dutyfree entrance to these shipments. When the United States finances ocean transportation costs, the expense of inland transportation and overseas distribution must be paid by the foreign government or the voluntary agency. Commodities are clearly identified as being "Donated By The People of The United States of America." The foods are donated to needy persons who do not have the means to buy them. Program plans, annual estimates of requirements, and foreign operations are reviewed by representatives of United States missions or consulates to avoid duplication of effort and assure a sound operating program. Coordinating committees have been established in most of the principal receiving countries in which two or more voluntary agencies operate. Assurances are obtained that the relief program does not conflict with normal commercial trade or other surplus food disposal operations of the United States.

Cheese, corn meal, wheat flour, nonfat dry milk, corn, and wheat were available for distribution throughout the period January-June 1958. Corn and wheat were not available for commercial milling overseas but were made available to a limited number of countries where recipients normally milled their own grains. The quantity and value of commodities approved for foreign donation for the period January-June 1958 are shown in table XV.

Table XV.—Commodities approved for donation for foreign relief through nonprofit voluntary agencies and intergovernmental organizations, January—June 1958

| Commodity | Pounds | Estimated CCC cost |
|-------------|---------------------------|---------------------------|
| Cheese | Millions 78.7 | Million dollars 32. |
| Corn | 26. 6 111. 5 206. 9 | 1. 8. 38. |
| Wheat flour | 16. 3 373. 5 | 29. |
| Total | 813. 5 | 110. |

Section 303, barter.—This authority, 1 of 6 legislative acts providing for barter, reemphasized this program by directing the Secretary of Agriculture to arrange barter operations where such operations protect the funds and assets of CCC. It also directs other agencies to cooperate. In addition, Public Law 161, 84th Congress, authorizes acquisition of certain United States military housing abroad with foreign currencies generated by agricultural export programs, including barter transactions.

Barter is effected through contracts between CCC and private United States business firms under which the contracting firms use commercial trade channels in fulfilling these contracts. Barter contracts generally provide for the delivery of specified foreign produced materials with payment to be received in CCC-owned agricultural commodities which must be exported by the contractor. There is no requirement that the materials come from the same country to which agricultural commodities are shipped.

The barter contractor must satisfy CCC that a proposed transaction will mean an increase in United States exports of the agricultural commodities involved. Major agricultural commodities may be shipped without a specific showing of additional trade to areas where commercial trade in these commodities is negligible; however, shipments to countries considered to be dollar markets may be made only where additional trade can be assured.

The program also has the following requirements: Interest must be paid to CCC for any timelag between delivery to the barter contractor of the agricultural commodity and receipt of materials by CCC; agricultural commodities cannot be transshipped from approved countries of destination; barter materials delivered may not be of U.S. origin or processed in the United States and the origin of the materials must be specified; and financial coverage for agricultural commodities taken in advance of barter material deliveries is required in the form of cash deposits or irrevocable letters of credit in favor of CCC.

Barter contracts negotiated during the January-June 1958 period totaled \$55.6 million. Barter exports of agricultural commodities from CCC inventories against outstanding contracts had an export market value of \$23.6 million in January-June 1958 in comparison with barter-material deliveries to CCC of \$103 million in the same period.

The \$55.6 million in barter contracts negotiated in this reporting period compares with contracts totaling \$5.6 million for the previous reporting period and the average 6-month rate of \$145 million under the barter program during the period July 1954 through June 1957 (table XVI).

Table XVI.—Summary of barter contracts entered into in specified periods 1

| Materials | 1949–50 through 1953–54 | 1954–55 through 1956–57 | July- Decem- ber 1957 | January- June 1958 |
|--|-------------------------------|---|-----------------------------|--------------------------|
| Strategie: | Million dollars 71.8 | Million dollars | Million dollars | Million dollars |
| Minimum stockpile Long-term stockpile Supplemental stockpile 3 | | ² 151. 5 ² 249. 6 ² 370. 6 | 5, 6 | 0.4 |
| Total strategie Supply:4 | 71.8 | 771.7 | 5, 6 | 55. 6 |
| AEC | 28.4 | 31. 0 13. 3 | | |
| Total supply | 7. 4 35. 8 | 98. 4 | | |
| Grand total | 107. 6 | 870.1 | 5. 6 | 55. |

 Years beginning July. June 1958 preliminary.
 Adjustments have been made to reflect transfers to minimum stockpile as follows: \$133.8 million from long-term acquisitions and \$7.1 million from supplemental acquisitions.

³ Materials transferred or to be transferred to supplemental stockpile with

reimbursement as provided by section 206 of the Agricultural Act of 1956.

4 Materials, goods, and equipment for other Government agencies.

Agricultural commodity exports by contractors in fulfillment of barter contracts with CCC reflected the decline in contracting and totaled \$23.6 million for the period covered by this report (table XVII).

Forty-nine countries have received agricultural commodities exported under barter arrangements

Table XVII.—Agricultural commodities exported under barter contracts in specified periods ¹

| | | | | | January-June 1958 2 | | | |
|---|---------------------------------------|-------------------------------|--|--|---|---|--|--|
| Commodity | Unit | 1949–50 through 1953–54 | 1954–55 tbrough 1956–57 | July-De- cember 1957 | Under all contracts | 1954-55 through 1956-57 contracts | 1957–58 contracts | |
| Wheat Corn Barley Oats Rye Grain sorchums | do do do de Hundredweight | 9, 338 | 200, 178 105, 428 62, 057 36, 681 11, 448 39, 261 | 1,000 units 3,421 8,749 954 1,353 121 | 1,000 units 6, 263 3, 155 1, 967 120 82 151 | 1,000 units 1, 291 1, 050 726 120 82 | 1,000 units 4,972 2,105 1,241 | |
| Cottonseed oil. Wood. Cotton Others ⁴ | Pound do Bale Metric ton | | 34, 731 1, 022 99 | 6,348 3 421 8 | 5, 628 3 22 2 | 5, 628 4 | 18 2 | |
| Total quantity | Metric ton | 1, 227 | 12, 427 | 465 | 314 | S5 | 229 | |
| Total value | | Million dollars 107. 6 | Million dollars 823. 7 | Million dollars 75, 2 | Million dollars 23. 6 | Million dollars 7.8 | Million dollars 15, 8 | |

I treats organisms 3-11 1.

Includes partial estimate for June.

Includes sales with exportation to be made by July 31, 1958, under cotton export sales program announcement CN-EX-4 dated Feb. 19, 1957, as amended, and sales with exportation to be made on or after Aug. 1, 1958, under cotton export sales program announcement CN-EX-5 dated Apr. 23, 1958.

Includes fluxeed, butter, dried skim milk, linseed oil, cottonseed meal, soybeans, tobacco, peanuts, beans, and rice.

under the barter program July 1, 1954, through June 30, 1958, as shown in table XVIII.

Table XVIII.—Value of agricultural commodity exports under barter contracts by destination, July 1, 1954, through June 30, 1958 1

| Country | Value | Country | Value |
|----------------|----------|------------------|----------|
| | 1,000 | | 1,000 |
| | dollars | | dollars |
| Austria | 5,758 | Japan | 121, 163 |
| Belglum | 104, 748 | Korea. | 3, 25 |
| Brazil | 547 | Lebanon | 7: |
| British Malaya | 7 | Mexico | 13, 313 |
| Chile | 2, 951 | Mozamblque | 386 |
| China (Talwan) | 2,909 | Netherlands | 129, 113 |
| Colombia | 5, 460 | Norway | 14, 159 |
| Costa Rica | 211 | Pakistan | 1 |
| Cuba | 1, 655 | Panama | 7 |
| Cyprus | 6 | Peru | 2, 559 |
| Denmark | 6,638 | Philippines | 320 |
| Eeuador | 33 | Portugal | 5, 29 |
| Egypt | 8,080 | Saudi Arabia | 28 |
| El Salvador | 72 | Spain | 5, 03 |
| Finland | 2,884 | Sweden | 5, 62 |
| France | 40, 434 | Switzerland | 3, 19 |
| Vest Germany | 117,004 | Thailand | |
| Greece | 11,606 | Trieste | 1, 37 |
| Buatemala | 215 | Turkey | 12, 90- |
| Hong Kong | 49 | United Kingdom 2 | 203, 143 |
| ndia | 4, 141 | Uruguay | 1.043 |
| ndonesia | 196 | Venezuela | 715 |
| ran | 322 | Yugoslavia | 2,743 |
| reland | 19,498 | Others 3 | 34, 82 |
| srael | 9,074 | | |
| taly | 17, 410 | Total | 922, 504 |

¹ Commodity values at export market prices. Includes partial estimate for June 1958.

The rate of material deliveries in the report period to CCC by contractors against barter agreements increased somewhat over the average for past periods. Acquisitions of stockpile materials to date have been limited by CCC to materials within the Office of Defense Mobilization procurement directives for both the strategic and supplemental stockpiles. Materials delivered in the report period compared with past deliveries are indicated in table XIX.

CCC has received reimbursement for \$229.4 million in strategic materials delivered to the strategic stockpile and \$69.8 million in materials delivered to other Government agencies. A total of \$298.4 million in strategic materials has been transferred to the supplemental stockpile. CCC has been reimbursed for \$218.9 million of this total by the Second Supplemental Act of 1958, Public Law 352, 85th Congress, and will be reimbursed for the balance in the form of subsequent appropriations as provided in section 206 of Public Law 540, 84th Congress. The balance of the materials in CCC's inventories, as well as subse-

Table XIX.—Value of materials delivered by barter contractors in specified periods 1

| | | | | Janus | ary-June | 1958 2 |
|---|-------------------------------|--|-------------------------------------|--------------------------------------|---|---------------------------|
| Materials | 1949-50 through 1953-54 | 1954–55 through 1956–57 | July- Decemi- ber 1957 | Under all con- tracts | 1954-55 through 1956-57 con- tracts | 1957–58 con- tracts |
| Strategie; Minimum stockpile. Long-term stockpile. Supplemental stock | Million dollars 71. 8 | Million dollars 138, 9 107, 1 | Million dollars 5, 7 28, 4 | Million dollars 13. 0 52. 3 | Million dollars 13, 0 52, 3 | Million dollars |
| pile 3 | 71.8 | 234. 1 480. 1 | 51. 6 85. 7 | 26.8 | 13.9 | 12.9 |
| Supply: 4 | 28, 4 | 30.8 | | 92, 1 | 79. 2 | 12.9 |
| AEC | 7.4 | . 4 | 3.0 | 3. 8 7. 1 | 3. 8 7. 1 | |
| Total supply | 35. 8 | 31. 8 511. 9 | 90. 8 | 103.0 | 90.1 | 12.9 |

quent deliveries of such materials under existing contracts, will be transferred to the stockpiles or to other Government agencies with reimbursement to CCC.

Note: An appendix to this report contains the following additional tables (not printed here):

Table I: Commodity composition of programs under title 1, P. L. 480 agreements signed Jan. 1, 1958, through June 30, 1958.

Table II: Approximate quantities of commodities under title I, P. L. 480 agreements signed Jan. 1, 1958, through June 30, 1958.

Table III: Planned uses of foreign currency under title P. L. 480 agreements signed Jan. 1, 1958, through June 30, 1958,

Table IV: Commodity composition of programs under title 1, P. L. 480 agreements signed July 1, 1954, through June 30, 1958.

Table V: Approximate quantities of commodities under title I, P. L. 480 agreements signed July 1, 1954, through June 30, 1958.

Table VI: Planned uses of foreign currency under title I, P. L. 480 agreements signed July 1, 1954, through June 30, 1958,

Table VII: Commodity composition of programs under title 1, P. L. 480 agreements signed July 1, 1954, through June 30, 1955.

Table VIII: Approximate quantities of commodities under title I, P. L. 480 agreements signed July 1, 1954, through June 30, 1955.

Table IX: Planned uses of foreign currency under title I, P. L. 480 agreements signed from July 1, 1954, through June 30, 1955.

² Includes data for other British Commonwealth countries for contracts entered into prior to July 1, 1957. It is estimated that about 85 percent of the value shown covers shipments to the United Kingdom; the remaining 15 percent covers shipments to other countries of the British Commonwealth, including Australia, Canada, and Union of South Africa.

Includes shipments for which documents listing countries of destination have not been not been recovered.

have not been processed.

Years beginning July 1.
 Includes partial estimate for June 1958.

³ Materials transferred or to be transferred to supplemental stockpile as provided by section 206 of the Agricultural Act of 1956. Materials, goods, and equipment for other Government agencies.

Table X: Commodity composition of programs under title I, P. L. 480 agreements signed July 1, 1955, through June 30, 1956.

Table XI: Approximate quantities of commodities under title I, P. L. 480 agreements signed July 1, 1955, through June 30, 1956.

Table XII: Planned uses of foreign currency under title I, P. L. 480 agreements signed July 1, 1955, through June 30, 1956.

Table XIII: Commodity composition of programs under title I, P. L. 480 agreements signed July 1, 1956, through June 30, 1957.

Table XIV: Approximate quantities of commodities under title I, P. L. 480 agreements signed July 1, 1956. through June 30, 1957.

Table XV: Planned uses of foreign currency under title I, P. L. 480 agreements signed July 1, 1956, through June

Table XVI: Commodity composition of programs under title 1, P. L. 480 agreements signed July 1, 1957, through June 30, 1958.

Table XVII: Approximate quantities of commodities under title I, P. L. 480 agreements signed July 1, 1957, through June 30, 1958.

Table XVIII: Planned uses of foreign currency under title I, P. L. 480 agreements signed July 1, 1957, through

Table XIX: Transfer authorizations issued under title II, P. L. 480, Jan. 1-June 30, 1958.

Table XX: Transfer authorizations issued under title II, P. L. 480, July 1, 1954-June 30, 1958.

Table XXI: Transfer authorizations issued under title II, P. L. 480, fiscal year 1955.

Table XXII: Transfer authorizations issued under title II, P. L. 480, fiscal year 1956.

Table XXIII: Transfer authorizations issued under title 11, P. L. 480, fiscal year 1957.

Table XXIV: Transfer authorizations issued under title 11, P. L. 480, fiscal year 1958.

Table XXV: Title III, P. L. 480-Authorizations for foreign donations, fiscal years 1955-57.

Congressional Documents Relating to Foreign Policy

85th Congress, 2d Session

Relative to the Establishment of a United Nations Force. Report to accompany H. Con. Res. 373. H. Rept. 2581, August 13, 1958. 6 pp.

Participation in the California International Trade Fair and Industrial Exposition To Be Held in Los Angeles, Calif., From April 1 to 12, 1959. Report to accompany H. J. Res. 658. H. Rept. 2592, August 13, 1958. 3 pp.

Convention With Norway Modifying and Supplementing the Convention of June 13, 1949, Relating to Double Taxation. Message from the President of the United States transmitting the convention. S. Exec. D, August 14, 1958. 4 pp.

Foreign Service Annuities. Report to accompany H. R. 13715. H. Rept. 2599, August 14, 1948. 3 pp.

Authorizing Appropriations for Continuing the Construction of the Rama Road in Nicaragua. Report to accompany S. 3712. H. Rept. 2627, August 14, 1958. 4 pp. Euratom Cooperation Act of 1958. Report to accompany S. 4273; S. Rept. 2370; August 14, 1958; 21 pp. Report to accompany H. R. 13749; H. Rept. 2647; August 15, 1958; 21 pp.

Concurrent Resolution To Approve Agreement With Euratom. Report to accompany H. Con. Res. 376. H. Rept.

2648, August 15, 1958. 3 pp. Amending Act of June 10, 1938, Relating to Participation by the United States in the International Criminal Police Organization. Report to accompany S. 4169. S. Rept. 2403, August 15, 1958. 6 pp.

TREATY INFORMATION

Current Actions

BILATERAL

Cuba

Convention regarding the conservation of shrimp. Signed at Habana August 15, 1958. Enters into force on the date of exchange of instruments of ratification.

Denmark

Agreements for settlement of claims in connection with the requisitioning of 40 Danish ships during World War II. Effected by exchange of notes at Washington August 28, 1958. Entered into force August 28, 1958.

Interpretation of certain clauses of the economic, technical, and related assistance agreement with the Sudan of March 31, 1958 (TIAS 4014). Effected by exchange of notes at Khartoum July 1 and 12, 1958. Entered into force July 12, 1958.

DEPARTMENT AND FOREIGN SERVICE

Recess Appointments

The President on August 28 appointed Leonard J. Saccio to be Deputy Director of the International Cooperation Administration in the Department of State. (For biographic details see Department of State press release 499 dated August 28.)

Designations

Raymond E. Murphy as special assistant to the Director of the Bureau of Intelligence and Research, effective August 11.

John H. Stutesman, Jr., as Special Assistant to the Deputy Under Secretary for Administration, effective August 11.

Robert N. Magill as NATO adviser in the Office of European Regional Affairs, effective August 18.

| Agriculture. Progress Report on the Agricultural Trade Development and Assistance Act (Eisenhower) | 423 |
|--|------------|
| Atomic Energy. President Approves EURATOM | |
| Cooperation Act of 1958 | 415 |
| Austria. Americans Advised Against Travel in Certain Areas of Austria | 422 |
| China, Communist. U.S. Notes Peiping Radio Threat to Taiwan and Offshore Islands | 415 |
| Congress, The Congressional Documents Relating to Foreign | 440 |
| President Approves EURATOM Cooperation Act | |
| of 1958 | 415 423 |
| Department and Foreign Service Designations (Magill, Murphy, Stutesman) Recess Appointments (Saccio) | 440 440 |
| Economic Affairs. President Proposes Consideration of Increased Resources for International Monetary Fund and World Bank (Eisenhower, Anderson) | 412 |
| Educational Exchange. New Member of Advisory Commission on Educational Exchange Appointed . | 422 |
| Europe. President Approves EURATOM Coopereration Act of 1958 | 415 |
| International Law The Control of Space (Becker) U.S. Submits Navy Neptune Case to International Court of Justice (Department announcement, text of application, Soviet note) | 416 420 |
| Middle East. General Assembly Emergency Session Adopts Arab Resolution on the Middle East (Dulles, text of resolution) | 409 |
| Mutual Security | |
| Progress Report on the Agricultural Trade Development and Assistance Act (Eisenhower) | 423 |
| Saccio appointed Deputy Director, ICA | 440 |
| Presidential Documents President Approves EURATOM Cooperation Act of | (15 |
| President Proposes Consideration of Increased Resources for International Monetary Fund and | 415 |
| World Bank | 412 |
| opment and Assistance Act | 423 416 |
| Science. The Control of Space (Becker) Treaty Information. Current Actions | 440 |
| U.S.S.R. U.S. Submits Navy Neptune Case to In- | 440 |
| ternational Court of Justice (Department an- | |

nouncement, text of application, Soviet note) .

| Session Adopts Ara | | | | | | | | | | | | |
|-----------------------|----|------|-----|------|-----|---|---|---|---|---|---|-----|
| East (Dulles, text | of | resc | ١lu | tio: | n) | • | ٠ | • | ٠ | • | ٠ | 409 |
| | Na | me | I | nde | ex. | | | | | | | |
| Anderson, Robert B | | | | | | | | | | | | 412 |
| Becker, Loftus E . | | - | | | | | | | | | | 416 |
| Dulles, Secretary | | | | | | | | | | | | |
| Eisenhower, President | | | | | | | | | | | | |
| Magill, Robert N . | | | | | | | | | | | | 440 |
| Murphy, Franklin Day | | | | | | | | | | | | 422 |
| Murphy, Raymond E | | | | | | | | | | | | |
| Saccio, Leonard J . | | | | | | | | | | | | |
| Stutesman, John II., | | | | | | | | | | | | 440 |

United Nations. General Assembly Emergency

Check List of Department of State Press Releases: August 25–31

Press releases may be obtained from the News Division, Department of State, Washington 25, D. C. Releases issued prior to August 25 which appear in this issue of the Bulletin are Nos. 484 of August 22 and 491 of August 23.

| No. | Date | Subject |
|------|------|--|
| 492 | 8/25 | Travel in Austria. |
| *493 | 8/25 | Ghana and Kaiser Co. sign Volta River survey agreement. |
| *494 | 8/26 | Palmer named Consul General at Salisbury, Federation of Rhodesia and Nyasaland (biographic details). |
| *495 | 8/26 | Penfield named Deputy Assistant Secretary for African Affairs (biographic details). |
| *496 | 8/27 | Convertibility guaranty contract with U.S. firm. |
| *497 | 8/28 | Educational exchange. |
| †498 | 8/28 | Agreement with Denmark on compensation for Danish ships. |
| *499 | 8/28 | Saccio named 1CA Deputy Director (biographic details). |
| †500 | 8/28 | Delegate to ECAFE Working Party on Economic Development and Planning (rewrite). |
| 501 | 8/28 | Department statement on Peiping Radio broadcast on liberation of Taiwan. |
| 502 | 8/28 | Murphy appointed member of Advisory Commission on Educational Ex- change (rewrite). |
| *503 | 8/30 | Mayor of Paris visits U.S. under edu- cational exchange program. |

* Not printed.

420

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THE DEPARTMENT OF STATE

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[16

September 22, 1958

| U.S. REVIEWS CHINESE COMMUNIST AGGRESSIVE ACTIONS IN TAIWAN STRAITS AREA • Statement by Secretary Dulles on September 4 and a White House Statement of September 6 | 445 |
|--|-------------|
| | 44 8 |
| PLANNING ECONOMIC DEVELOPMENT IN THE ARAB WORLD • by Norman Burns | 469 |
| EAST-WEST TECHNICAL EXPERTS CONCLUDE TALKS AT GENEVA • Statement by James B. Fisk, | 459 |

For index see inside back cover

THE DEPARTMENT OF STATE

Bulletin

Vol. XXXIX, No. 1004 • Publication 6704 September 22, 1958

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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U. S. Reviews Chinese Communist Aggressive Actions in Taiwan Straits Area

Following is the text of a statement made by Secretary Dulles on the authority of the President which was released by the White House at Newport, R.I., on September 4, together with a White House statement which was released at Washington, D.C., on September 6 following a meeting of President Eisenhower with members of the National Security Council and other Government officials.

STATEMENT BY SECRETARY DULLES

White House (Newport, R. I.) press release dated September 4

I have reviewed in detail with the President the serious situation which has resulted from aggressive Chinese Communist military actions in the Taiwan (Formosa) Straits area. The President has authorized me to make the following statement.

- 1. Neither Taiwan (Formosa) nor the islands of Quemoy and Matsu have ever been under the authority of the Chinese Communists. Since the end of the Second World War, a period of over 13 years, they have continuously been under the authority of Free China, that is, the Republic of China
- 2. The United States is bound by treaty to help to defend Taiwan (Formosa) from armed attack and the President is authorized by Joint Resolution of the Congress to employ the armed forces of the United States for the securing and protecting of related positions such as Quemoy and Matsu.¹
- 3. Any attempt on the part of the Chinese Communists now to seize these positions or any of them would be a crude violation of the principles upon which world order is based, namely, that no country should use armed force to seize new territory.

- 4. The Chinese Communists have, for about 2 weeks, been subjecting Quemoy to heavy artillery bombardment and, by artillery fire and use of small naval craft, they have been harassing the regular supply of the civilian and military population of the Quemoys, which totals some 125 thousand persons. The official Peiping radio repeatedly announces the purpose of these military operations to be to take by armed force Taiwan (Formosa), as well as Quemoy and Matsu.² In virtually every Peiping broadcast Taiwan (Formosa) and the offshore islands are linked as the objective of what is called the "Chinese Peoples Liberation Army."
- 5. Despite, however, what the Chinese Communists say, and so far have done, it is not yet certain that their purpose is in fact to make an allout effort to conquer by force Taiwan (Formosa) and the offshore islands. Neither is it apparent that such efforts as are being made, or may be made, cannot be contained by the courageous, and purely defensive, efforts of the forces of the Republic of China, with such substantial logistical support as the United States is providing.
- 6. The Joint Resolution of Congress, above referred to, includes a finding to the effect that "the secure possession by friendly governments of the Western Pacific Island chain, of which Formosa is a part, is essential to the vital interests of the United States and all friendly nations in and bordering upon the Pacific Ocean". It further authorizes the President to employ the Armed Forces of the United States for the protection not only of Formosa but for "the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa". In view of the situation outlined in the preceding

¹ For text of H. J. Res. 159, 84th Cong., 1st. sess., see Bulletin of Feb. 7, 1955, p. 213.

² For a Department statement regarding the broadcasts, see *ibid.*, Sept. 15, 1958, p. 415.

paragraph, the President has not yet made any finding under that Resolution that the employment of the Armed Forces of the United States is required or appropriate in insuring the defense of Formosa. The President would not, however, hesitate to make such a finding if he judged that the circumstances made this necessary to accomplish the purposes of the Joint Resolution. In this connection, we have recognized that the seeuring and protecting of Quemoy and Matsu have increasingly become related to the defense of Taiwan (Formosa). This is indeed also recognized by the Chinese Communists. Military dispositions have been made by the United States so that a Presidential determination, if made, would be followed by action both timely and effective.

7. The President and I earnestly hope that the Chinese Communist regime will not again, as in the case of Korea, defy the basic principle upon which world order depends, namely, that armed force should not be used to achieve territorial ambitions. Any such naked use of force would pose an issue far transcending the offshore islands and even the security of Taiwan (Formosa). It would forecast a widespread use of force in the Far East which would endanger vital free world positions and the security of the United States. Acquiescence therein would threaten peace everywhere. We believe that the civilized world community will never condone overt military conquest as a legitimate instrument of policy.

8. The United States has not, however, abandoned hope that Peiping will stop short of defying the will of mankind for peace. This would not require it to abandon its claims, however illfounded we may deem them to be. I recall that in the extended negotiations which the representatives of the United States and Chinese Communist regime conducted at Geneva between 1955 and 1958, a sustained effort was made by the United States to secure, with particular reference to the Taiwan area, a declaration of mutual and reciprocal renunciation of force, except in self-defense, which, however, would be without prejudice to the pursuit of policies by peaceful means. The Chinese Communists rejected any such declaration. We believe, however, that such a course of conduct constitutes the only civilized and acceptable procedure. The United States intends to follow that course, so far as it is concerned, unless and until the Chinese Communists, by their acts, leave us no choice but to react in defense of the principles to which all peace-loving governments are dedicated.

WHITE HOUSE STATEMENT

White House press release dated September 6

The President discussed the Taiwan Straits situation with the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, and the Chairman of the Joint Chiefs of Staff—members of the National Security Council. Also present were the Director of the United States Information Agency, the Director of the Office of Civil and Defense Mobilization, and the Acting Director of the Central Intelligence Agency. The Vice President, because of a long-standing out of town engagement, was unable to be present.

Consideration was given to measures which would conform to the policy enunciated on September 4 by the Secretary of State on the authority of the President. But particular note was taken of the reported radio statement of Mr. Chou En-lai indicating that the Chinese Communists were prepared to resume ambassadorial talks with the United States "in order to contribute further to the safeguarding of peace." These talks, which had been conducted in Europe for several years, were recently interrupted by the Chinese Communists.

So far the United States has not received any official word on this subject. We hope, however, that the reported statement of Mr. Chou En-lai is responsive to the urging, contained in our September 4 policy statement, that "armed force should not be used to achieve territorial ambitions," although such renunciation of force need not involve renouncing claims or the pursuit of policies by peaceful means. This is the course that the United States will resolutely pursue in conforming with our vital interests, our treaty obligations, and the principles on which world order is based.

The United States has sought to implement that policy in its past talks at the ambassadorial level with the Chinese Communists. On July 28, 1958, and subsequently, we have sought a resumption of these talks.

If the Chinese Communists are now prepared to respond, the United States welcomes that de-

cision. The United States Ambassador at Warsaw stands ready promptly to meet with the Chinese Communist Ambassador there, who has previously acted in this matter.

Naturally, in these resumed talks the United States will adhere to the negotiating position which it originally took in 1955, namely, that we will not in these talks be a party to any arrangement which would prejudice the rights of our ally, the Republic of China.

Fourth Anniversary of SEATO

Following is the text of a statement by President Eisenhower in connection with the fourth anniversary of the Southeast Asia Treaty Organization which was released by the White House at Newport, R.I., on September 7, together with the text of remarks made by Secretary Dulles which were recorded for radio and television presentation on September 7.

STATEMENT BY PRESIDENT EISENHOWER

White House (Newport, R. I.) press release dated September 7

September 5th marks the fourth anniversary of the signing of the Manila Pact. Four years ago, the United States joined with Australia, France, New Zealand, Pakistan, the Philippines, Thailand, and the United Kingdom to form the South East Asia Treaty Organization.

The experience of the United States in the South East Asia Treaty Organization reassirms our belief that an international organization of free peoples, conceived in accordance with the principles of the United Nations Charter, provides a firm basis for common action to maintain peace and security.

Since 1954, the United States has participated in the continuing growth of cooperation among the member nations which has provided the conditions of stability indispensable to political, economic and social progress in South East Asia.

I am convinced that our cooperative efforts will continue to be successful. In the face of an undiminished challenge, the South East Asia Treaty Organization will vigorously maintain the protective shield necessary to the preservation of our common heritage of freedom.

REMARKS BY SECRETARY DULLES

Press release 512 dated September 5

SEATO has stood for 4 years as a barrier against aggression in Southeast Asia. It continues to serve that need.

International communism has not relaxed its threat to peace and stability in the treaty area. It employs a variety of tactics to promote its expansionist ambitions. These include economic warfare, infiltration, subversion, and the threat of force. Recent events in the Taiwan area clearly demonstrate that the Chinese Communists have not renounced the use of force to serve their expansionist goals.

As against these dangers, SEATO has developed cooperative military arrangements. These are of a purely defensive character. Under the shield of this protection, member nations have successfully pursued cooperative programs of mntual economic aid, technical assistance, and cultural exchange.

Ceremonies are being held in Bangkok today to celebrate SEATO's fourth anniversary. To our friends assembled there, I send greetings on behalf of the Government of the United States. I should also like to say that our countrymen are proud to share in this partnership which seeks to fulfill the hopes common to all of our peoples. I am convinced that SEATO will continue resolutely to preserve our common heritage of freedom.

Japanese Foreign Minister To Visit Washington

The Department of State announced on September 5 (press release 514) that Japanese Foreign Minister Aiichiro Fujiyama will arrive at Washington on September 10 for an informal visit. Mr. Fujiyama will remain in Washington until September 13 or 14 when he will proceed to New York to attend the opening of the 13th General Assembly of the United Nations.

Mr. Fujiyama will confer with Secretary Dulles and State Department officials on matters of mutual interest to the United States and Japan. Arrangements have been made for conferences between Mr. Fujiyama and the Secretary on September 11 and 12. While no formal agenda for

their discussions has been agreed upon, it is expected that their talks will include but not be limited to a review of the international situation

including Communist China, U. S.-Japan security arrangements, and economic matters of mutual interest.

The United Nations and American Ideals

by Henry Cabot Lodge U.S. Representative to the United Nations¹

Thank you for this chance to address you as the representative of the President of the United States. He has given me a message which I would like to read to you now:

I notice that happily you are going to address the Detegates attending the 40th Convention of the American Legion in Chicago. In addition to the address the Secretary of Defense will make in the evening and the message he will deliver from me, a report of your work in the United Nations will be of great interest to the Delegates. You will voice, I know, my own deep interest in 1t.

I know the Detegates to this Convention will recognize the devotion that has attended the work of you and your associates; and they, in turn, will strive for a broader understanding among all our people of the significance of the objectives we seek to achieve. Since the success of your work is of such vast importance to all of us, I know that your remarks could not find a more interested and concerned audience than the American Legion.

As veterans of the wars of our land, each war having been fought outside the borders of our nation, they will understand, I am sure, the importance I attach to the United Nations effort for peace.

Will you kindly convey once again to the Delegates my betief in the large contribution they can make to the success of this work, particularly in the knowledge so many of them have that the peace and security of our nation is inseparable from that of other lands.

DWIGHT D. EISENHOWER

The Legion has many noble purposes which are particularly timely today. Let me read some of them:

to uphold and defend the Constitution of the United States of America;

to inculcate a sense of individual obligation to the community;

to promote peace and goodwill on earth;

to safeguard and transmit to posterity the principles of justice, freedom and democracy.

These are all great purposes. They are as precious and as necessary today as they were when they were written in Paris at the first meeting of the American Legion 40 years ago. Animated by these purposes, the Legion has grown to a membership of more than 2,800,000 with more than 17,000 posts and has achieved a record, notably as regards national defense and veterans affairs, which stands as a great tribute to its influence.

These purposes are also a source of strength to the United States. Then, because the United States is the indispensable champion of freedom in the world, these purposes of the American Legion are a source of strength to every man in every country who values his freedom.

Your purposes symbolize what is noblest in America. They make us think of our heroic days. They symbolize the sacrifice of World War I, of World War II, and of Korea; and through the prism of unselfishness and sacrifice, they portray America as she should be portrayed—as a nation of humane ideals.

"A Nation of Humane Ideals"

And in spite of a systematic and deliberate campaign of vilification by Soviet communism without precedent in world history, the United States is still thought of as a nation of humane ideals. Working in the world forum of the United Nations, I know that even those who speak against us recognize at heart that all that we want is what is best for humanity.

We live in a world which needs the ideals of the American Legion.

Just consider the issues the United States confronted all over the globe in just the years that I

¹Address made before the 40th convention of the American Legion at Chicago, Ill., on Sept. 2 (U.S./U.N. press release 2986).

have been United States Representative at the United Nations. Here is a short and by no means complete list:

The end of the struggle in Korea—a struggle which stopped the attempts of Communist imperialism to take over that country.

The effort in 1954 by Soviet communism to take over Guatemala and then to spread through Central America.

The dangers inherent in the dispute between Italy and Yugoslavia over the Port of Trieste—a dispute which, we can be thankful to say, is at an end.

The conclusion of the Austrian treaty, which led to the withdrawal of troops from Austria.

The illegal detention by the Chinese Communists of our United States Air Force flyers who finally were released, thanks to the United Nations and to the efforts of the Secretary-General.

And the struggle never stops. On more than 30 occasions already we have been successful in keeping Communist China out of the United Nations, and the attempt will undoubtedly be made again in the next few weeks—and we will undoubtedly deal with it successfully.

Looking for a moment at the internal setup of the United Nations, it is good to be able to report to the American Legion, which takes such an active part in the struggle against communism, that every single American employed by the United Nations has been screened in accordance with procedures prescribed by the FBI and the United States Civil Service Commission—for the good and sufficient reason that, when there are so many patriotic Americans from which to choose, there is no excuse whatever for employing one single American Communist.

In 1956, as you all know, came the Suez crisis, and as a result of action in the United Nations the United Nations Emergency Force is in the Gaza Strip and at the entrance to the Gulf of Aqaba today, and these two hitherto dangerons places are more peaceful than they have been for a long time.

We also faced the brutal Soviet onslaught against Hungary which, alas, the free world was unable to prevent. But the United Nations debate exposed its full horror and, by so doing, has kept the pressure of world opinion on the Soviet Union. The whole of human history teaches us

that no people can be oppressed indefinitely, and I am sure that one day we will see a free and independent Hungary and that we must not lose hope,

Events in the Near East

Then came the events of this summer in the Near East—events which led the Government of Lebanon to request President Eisenhower for United States troops to help preserve the independence and the integrity of that country.

President Eisenhower responded to the call,² and on instructions from him I immediately requested a meeting of the Security Council on July 15, saying that the presence of our troops in Lebanon was to stabilize the situation "until such time as the United Nations could take the steps necessary to protect the independence and political integrity of Lebanon."

We asked the Security Council to cope with the situation.³ When the action proposed was vetoed by the Soviet Union, we supported a Japanese resolution along the same lines. This, too, was vetoed. And then we secured adoption of our resolution to bring the whole matter into the General Assembly where all the nations of the world—large and small—are represented and where there is no veto.

During this debate which went all through the summer, speaking as the United States Representative, I said that:

. . . All nations, large and small alike, are entitled to have their political independence and territorial integrity respected and maintained. If we vacillate with regard to this proposition, we will open the floodgates to direct and indirect aggression all over the world.

The overthrow of another state by subversion and the fomenting of internal strife is more difficult for the world to combat than is directed military aggression because the fomenting of internal strife is harder to see with your eyes.

We were, to be sure, opposed at every turn by the representative of the Soviet Union, who was arguing in effect that it was wrong for small countries to be able to ask for and to receive help. They attacked us for helping small countries when, of their own free will, these countries asked us to do so. This is a handy argument for a big country which wants to take little countries over against their will.

² Bulletin of Aug. 4, 1958, p. 181.

³ For background, see ibid., p. 186.

The Soviet representative also attacked the United States for doing things which we had not done but which they often do themselves. This appears to be a standard Soviet practice. According to them we were the warmongers, we were the imperialists.

Here was the government most often defeated in the United Nations operating on the maxim of the old political boss who says: "Claim everything; concede nothing; and, if defeated, allege fraud."

Here was the man in the parade who cannot ever keep step exclaiming: "Everybody is out of step but me."

In the debate on the Near East we challenged the Soviet Union to stop jamming radio broadcasts so that the people in Russia could hear what Soviet spokesmen said at the General Assembly and what others said in reply. But this was spurned; in fact the Soviets even jammed the broadcast of their own Foreign Minister's speech.

The final result of the United Nations consideration of the Near East question came, as you know, about 10 days ago when, instead of denouncing the United States or calling upon us to withdraw, or doing any of the things which the Soviet Union wanted, the United Nations adopted a resolution which embodies the kind of thing which we think should be done in the Near East.4 It contained a pledge of noninterference, and it in effect put the United Nations in Lebanon and Jordan. Both of these provisions, therefore, if lived up to, would make possible our withdrawal. Finally, and of great importance for the future, the resolution approved a long-range scheme for regional economic development along the lines proposed by President Eisenhower.5

To be sure, resolutions are but words and, if they are to be considered successful, they must be carried out in practice. But the resolution just adopted in New York was a constructive document, and it represented not only a defeat for the efforts of the Soviet Union to condemn the United States but was also gratifying evidence of the way in which the nations in a troubled part of the world can go ahead on their own to reduce tensions.

If I may utter a personal view, it is that we

accomplished more at this special session of the General Assembly than would have been accomplished at the type of unprepared and hastily convened summit meeting which Mr. Khrushchev favored—and then hastily dropped after his visit to Peking. Our correspondence with the Soviet Union on this matter showed that the Soviets had no sincere concern for the desires of the small countries of the Near East but were only looking for a chance to make trouble.

Yet it was because the Arab countries got together and in effect agreed to keep their own house in order that we made a forward step. Perhaps this will persuade Mr. Khrushchev in the future to give up his attempts to exclude small countries from the problems which affect them so closely. This is said seriously and sincerely by one who believes that the Soviet Union's present attitude about the United States will—if we do not get discouraged—eventually change.

In fact, when we consider the possibility that the Soviet attitude may change, we can do well to take note of a recently published dispatch about Prime Minister Nehru of India's statement that communism "ignores certain essential needs of human nature" and eventually will be overthrown. He reportedly said that communism's "unfortunate association with violence encourages a certain evil tendency in human beings"—and the world now has come to the point where any attempt to impose ideas by force is bound to fail.

These thoughts of Prime Minister Nehru are of good augury for the future.

Exploration of Outer Space

Our future, in any event, is sure to be influenced by the current advances of science—and one of the most challenging new frontiers opened up by this advance is the vastness of outer space. The universe through which our world travels each day has no national boundaries. The scientists of the world have much to contribute to the peaceful exploration of outer space. All of us have much to lose if outer space is subjected to national rivalries. If nations can successfully cooperate in the study and exploration of outer space, new and brighter horizons may be opened up for all humanity.

It is good, therefore, to be able for the first time to announce here at the national convention of the

⁴ For text, see ibid., Sept. 15, 1958, p. 411.

^b Ibid., Sept. 1, 1958, p. 337.

American Legion that President Eisenhower has instructed me to include the important and urgent subject of outer space at the next regular session of the General Assembly which meets in a few weeks. Specifically, the United States will propose a program for international cooperation in the field of outer space.

No matter what happens, study and exploration of outer space will go on and will take man where no human being has gone before. This will affect every man, woman, and child in the world—and can be to their great benefit.

Our new space knowledge can be applied to medicine, communications, transportation, and many other useful fields, including even our knowledge of the weather.

Progress in this field would be faster, cheaper, and more efficient if all the nations concerned agreed to work together.

Some practical program for international cooperation in the scientific and peaceful study and exploration of outer space must be set up.

We will continue our efforts to reach agreements, consistent with our national security, which will increase the prospects that outer space will not be used for military purposes. But even as we work for such agreements, an important start must be made now in opening this new realm for the benefit of all mankind.

The United Nations, therefore, should immediately consider what it can do in this field, what outer space projects for peaceful purposes can be undertaken under United Nations auspices, and what sort of organization the United Nations can build so that the nations will work together in outer space.

The United States wants to see outer space used so as to enrich the lives of all people who live on this planet. We trust that our proposal will get the support of other nations and that, together, we can move forward toward this goal with the courage and vision of our early pioneers.

Struggle for the Minds of Men

We must not get discouraged about the future. The Soviet Communists today believe in a doctrine which is not peace and not war and which they have themselves described as "protracted conflict." We must accordingly be able to think of this struggle in terms of generations—a strug-

gle which will span many elections, many fiscal years, and many national conventions.

The Soviet Union is a big power, and so are we. But the struggle in which we are engaged is no mere power struggle. For there is one element in the struggle which we have and which the Soviets have not. It is the element to which I referred at the beginning of this speech. It is the strength of our ideals—ideals for which the American Legion also stands.

From our Founding Fathers there have come down to us ideals which proclaim the dignity of man and the value and sanctity of the individual. The difference between our way of life and that of communism which has particularly vivid meaning for people in Asia, Africa, and in every corner of the globe is our proposition proven by 180 years of actual experience: that man can improve his material and physical lot without sacrificing his civil rights. In fact, while his material lot improves, his freedom, his ability to think and to act for himself, to develop his personality—in the words of the Declaration of Independence, to pursue his happiness—all these things are enhanced.

There are, to be sure, many other differences which are apparent to us here in America. But the fact that we stand for material progress without sacrifice of freedom has particular meaning abroad.

One basic element in our way of thinking, therefore, is the right of every people in its internal affairs to live its own life in its own way. As President Eisenhower said to the United Nations on August 13:

This world of individual nations is not going to be controlled by any one power or group of powers. This world is not going to be committed to any one ideology, . . . the dream of world domination by one power or of world conformity is an impossible dream.

Comrade Commander and fellow Legionnaires, let us in conclusion remember this: We must be strong in our military might, strong in the vitality of our economic life, strong in our national unity, and strong in the vigor and skill of our diplomacy.

But underlying all these things is the struggle for the minds of men. We will win the struggle for the minds of men insofar as we make a reality, at home and abroad, of our humane ideals. In this, as in everything which pertains to the welfare of our country, the American Legion can and will make a priceless contribution.

East-West Technical Experts Conclude Talks at Geneva

Technical experts representing Canada, France, the United Kingdom, and the United States, on the Western side, and the Czechoslovak Republic, the Polish People's Republic, the People's Republic of Rumania, and the Union of Soviet Socialist Republics, on the Soviet side, met at Geneva July 1-August 21 to study methods of detecting violations of a possible agreement on the suspension of nuclear tests. Following is a statement made by James B. Fisk, chairman of the Western panel, at the conclusion of the conference on August 21, the text of a communique released at Geneva on that date, and the text of the final report which was adopted by the conference of experts and made public on August 30.

STATEMENT BY DR. FISK

I have a short concluding statement which I would like to give to the meeting.

The Conference of Experts has completed its work. We on the Western side are gratified that the task set for this Conference, which began its work seven weeks ago, has been successfully accomplished.

That task was to seek a common understanding of the technical problems involved in the detection and identification of nuclear explosions. We have now reached such a common understanding, which is embodied in the report we have just agreed upon, and which we are now transmitting to our Governments. My colleagues and I are hopeful that this report, which carefully examines and sets forth the capabilities and limitations of present methods of detecting nuclear explosions, will prove helpful to all of our Governments in their future consideration of this important subject.

As scientists we have sought here to establish the facts pertinent to our subject and to draw from them sound and logical conclusions regarding a system of control. We have heard a large number of scientific presentations from many members of the Conference, and we have asked many questions in order to understand and criticise the scientific accuracy of the matters being discussed. We have worked together in writing conclusions on each part of our work as it was completed, and on the final report, seeking thereby to present to governments the scientific facts and the significant measure of agreement that we have been able to reach on a system of control.

I speak for all those on the Western side when I express our satisfaction at the friendly and cooperative working relationships which we have enjoyed with our colleagues on the other side of the table.

In closing I am anxious to express our warm appreciation and thanks to Ambassador [Pier] Spinelli [of the United Nations office in Geneva], and to the personal representative of the Secretary General, Mr. [T. G.] Narayanan, for his good offices, and to Miss [Constance] Rhodes, Mr. [Henri A.] Cornil and the rest of the Secretariat of the United Nations who have assisted the Conference for the efficient services which they have rendered us over these weeks. In particular, we have often given our interpreters a hard time, and we are grateful for their patience and for their skill.

We are likewise grateful to the Confederation of Switzerland and to the Cantonal authorities of Geneva for permitting this Conference to be held in such lovely and undisturbed surroundings.

COMMUNIQUE

The Conference of Experts to Study the Possibility of Detecting Violations of a Possible Agreement on the Suspension of Nuclear Tests, which began its work in the Palais des Nations at Geneva on 1 July, concluded its work on 21 August, 1958.

The Conference expressed its appreciation of the good offices of the Secretary-General of the United Nations, carried out through his personal representative, Mr. Narayanan, and of the efficient services rendered by the United Nations Secretariat attached to the Conference.

In the course of the work of the Conference there was an exchange of opinions on the question of the various methods of detecting nuclear explosions. The Conference came to the conclusion that the methods of detecting nuclear explosions available at the present time—namely, the collection of samples of radioactive debris, the recording of seismic, acoustic and hydro-acoustic waves, and the radio signal method, together with the use of onsite inspection of unidentified events which might be suspected of being nuclear explosions—make it possible, within certain specific limits, to detect and identify nuclear explosions, and it recommends the use of these methods in a control system.

The Conference noted that the combined use of the various methods considerably facilitates detection and identification of nuclear explosions.

The Conference noted that the effectiveness of the methods considerably increases in the course of time, with improvement of measuring techniques and with study of the characteristics of natural phenomena which cause interference when explosions are detected.

The Conference adopted an agreed conclusion regarding the technical equipment of the control system necessary for the detection and identification of nuclear explosions. The Conference reached the conclusion that it is technically feasible to set up, with certain capabilities and limitations, a workable and effective control system for the detection of violations of a possible agreement on the world-wide cessation of nuclear weapons tests. It was established in this connexion that a network of control posts equipped with all the necessary apparatus appropriate to the various methods of detection of nuclear explosions should be disposed on continents and on islands, as well as on a few ships in oceans.

The Conference came to the conclusion that the control system should be under the direction of an international control organ which would ensure the co-ordination of the activities of the control system and the functioning of the system in such a way that it would satisfy the necessary technical requirements.

On 21 August, 1958, the Conference of Experts adopted a final report for consideration by Governments. The report will be made public at a time to be determined by Governments.

TEXT OF REPORT

REPORT OF THE CONFERENCE OF EXPERTS TO STUDY THE POSSIBILITY OF DETECTING VIOLATIONS OF A POSSIBLE AGREEMENT ON THE SUSPENSION OF NUCLEAR TESTS

I. Introduction

A. In accordance with an agreement reached as a result of an exchange of letters between the Chairman of the Council of Ministers of the Union of Soviet Socialist Republies, N. S. Khrushchev, and the President of the United States of America, Dwight D. Eisenhower, regarding the calling of a conference of experts to study the possibility of detecting violations of a possible agreement on the suspension of nuclear tests, there began on 1 July 1958, in Geneva, in the Palais des Nations, a conference of, on the one hand, experts from Western countries and, on the other hand, delegations of experts of the Union of Soviet Socialist Republics, the Polish People's Republic, the Czechoslovak Republic and the People's Republic of Romania.

B. The Secretary-General of the United Nations was represented at the Conference by his Personal Representative, Mr. T. G. Narayanan. Conference facilities and Secretariat services were provided by the United Nations. The Experts express their appreciation for the good offices of the Secretary-General and his Personal Representative, and for the services of the Secretariat staff attached to the Conference.

C. The agenda for the Conference, adopted on 4 July, included the following main questions:

1. Exchange of opinions on the problem of the various methods for detecting atomic explosions and on other general problems of the Conference deliberations.

2. Determination of a list of basic methods of systematic observations for phenomena indicative of an explosion.

3. A system for controlling the observance of an agreement on the cessation of nuclear tests.

4. Drawing up a report of experts to the governments of those countries represented at the Conference, with conclusions and suggestions regarding a system for controlling the observance of an agreement on the cessation of nuclear tests.

D. The Conference held 30 official sessions and completed its work on 21 August 1958. By prior agreement the Conference held its sessions in private.

E. The Conference of Experts considered the phenomena accompanying nuclear explosions set off under various conditions.

F. Some of these phenomena, namely the acoustic

³ Bulletin of May 19, 1958, p. 811; June 9, 1958, p. 939; and June 30, 1958, p. 1083.

waves occurring when there are explosions in air and in water, the seismic oscittations that occur when there are explosions on the ground, under the ground, and under water, the radio pulses that are produced when there are explosions in the atmosphere, and the optical and gamma radiation when propagated over long distances, serve to indicate explosions and to estimate their time and place.

G. When nuclear explosions occur in the atmosphere the radioactive debris which is formed mixes in the atmosphere, and is dispersed over great distances. If a nuclear explosion is set off in the ocean or in the earth's crust, the radioactive debris will remain concentrated close to the site of the explosion for a considerable time.

H. The sensitivity of modern physical, chemical and geophysical methods of measurement makes it possible to detect nuclear explosions by the indications described above at considerable distances, as hereafter described. Thus it is known that explosions of high yield which are set off on the surface of the earth and in the lower part of the atmosphere can be detected without difficulty at points of the globe which are very remote from the site of the explosion. On the other hand, explosions which are of low yield (a few kilotons) can be detected with good reliability given the present state of observational techniques onty if there is a specially set up control system such as that suggested in Section IV of this report.

I. A basic difficulty in detecting and identifying small explosions arises because many natural phenomena (earthquakes, thunder storms and others) give signals which are similar to those produced by explosions, or which by their presence hinder the detection of the signals sought.

J. The discrimination of the signals of natural events from signals of explosions is aided by a careful analysis of the recorded data, taking into account readings obtained at several points. Those remaining unidentified events which could be suspected as being nuclear explosions might be resolved by inspection of the site.

K. The Conference of Experts has considered the methods of detecting nuclear explosions by the acoustic, hydroacoustic and seismic oscillations which they produce in the air, water, or in the earth's crust, and, also the detection of explosions by the electromagnetic oscillations which are propagated from them, and by the radioactive debris that the explosions cause.

L. The Conference has examined the effectiveness and limitations of each of these methods for the detection of nuclear explosions and it has agreed that the combined use of the various methods considerably facilitates the detection and identification of nuclear explosions.

M. After examining the separate methods, the Conference examined the question of the technical equipment of the control system necessary to detect and identify nuclear explosions, and, after that, it passed to the question of the control system as a whole.

N. As a result of the examination of these questions the Conference reached the conclusion that it is technically feasible to set up, with the capabilities and limitations indicated in Section IV of this report, a workable and effective control system for the detection of violations of an agreement on the worldwide cessation of nuclear weapons tests.

O. In the present report information is given about the various methods of detection and identification of nuclear explosions, about the technical equipment of a control system and about a control system as a whole. Copies of the individual documents containing the conclusions adopted by the Conference on each of the questions mentioned are attached to the present report. Verbatim records and working documents in the working languages of the Conference with follow as soon as they are available for attachment to the report.

II. Basic Methods for Detection and Identification of Nuclear Explosions

A. Conclusions as to the applicability of the Method of Recording Acoustic Waves for the Detection of Nuclear Explosions.

The Conference of Experts examined the process of propagation of the acoustic waves caused by nuclear explosions and the methods of recording these waves with the aim of determining the possibility of using them for detecting nuclear explosions.

1. When there are explosions in air, a strong air acoustic wave is formed which propagates over large distances. An indication of the amplitude of the air pressure wave is given by a formula which is approximately valid for a homogeneous atmosphere and according to which this amplitude is proportional to the cube root of the yield and inversely proportional to the distance. However, the amplitude of this acoustic wave is strongly dependent upon meteorological conditions and cannot be predicted accurately by a simple formula of such a kind. The observed amplitude in certain cases can be five times larger or smaller than that predicted by a formulation which includes only the energy release and the distance to detecting station.

2. Existing apparatus of special design can detect the air wave from a one kiloton explosion in the air above local background noise at relatively large distances.

The detection capability of a single station is strongly dependent upon the orientation of the propagation path to the station with respect to the upper winds. When the upper winds are mainly in one direction, a one kitoton exptosion can be detected with a high degree of confidence downwind at a distance of 2,000 to 3,000 kitometres and upwind at a distance of 500 kitometres. When the upper winds are erratic and the average wind is small, such as frequently happens in the spring and fall, detection of a one kiloton exptosion can be accomplished with a similar degree of confidence to a distance of approximately 1,300 kilometres independently of the direction. On the basis of the records from three stations, the location of the explosion can be determined with an accuracy of better than 100 kilometres.

3. The acoustic apparatus at control posts at the above distances from an explosion can detect explosions which occur between the surface and a height of 30 kitometres. A reasonable extrapotation of existing experience indicates that for explosions taking place up to an altitude of about 50 kilometres there should not be a great change in the detectability of the acoustic wave. Whether a substantial acoustic wave will be generated at higher alti-

tudes is not well known from direct experiment or from any theoretical considerations so far discussed. Deep underground and underwater explosions do not produce air waves sufficiently intense for detection purposes.

An underwater explosion in the oceans generates very strong underwater sound waves (hydroacoustic), which even in the case of small explosions can be detected at distances of about 10,000 kilometres.

4. Acoustic waves which resemble in certain cases the acoustic signals of nuclear explosions may be produced by natural events (primarily meteoric, volcanic or submarine disturbances). In such cases the identification of the event as natural or as a nuclear explosion must be based on a comparison of acoustic data with those obtained by aid of other methods.

5. It is noted that methods of recording of pressure waves may be further improved to increase the precision and the sensitivity, and to eliminate background noise and spurious signals.

B. Conclusions as to the Applicability of the Method of Using Radioactive Debris for Detecting and Subsequently Identifying Nuclear Explosions.

The Conference of Experts has studied the process of the dissemination of radioactive debris resulting from a nuclear explosion and has considered the collection of samples of radioactive debris and its analysis as one of the methods for detecting and subsequently identifying nuclear explosions.

1. When an explosion occurs a considerable quantity of radioactive debris is produced. If the explosion is based on a fission reaction then this quantity amounts to 3×10^{3} curies per 1 kt TNT equivalent of the energy of the explosion as of one hour after the reaction. Thermonuclear reactions will lead to the formation of Carbon 14, Tritium, and other radioactive substances which result from neutron irradiation and which, in principle, can also be used to detect an explosion.

2. When nuclear explosions occur between the earth's surface and a height of approximately ten kilometres the radioactive debris is thrown into the atmosphere where it is carried by winds to great distances. The concentration of this radioactive debris is greatly influenced by the vertical and horizontal distribution of the wind in the troposphere and in the lower layers of the stratosphere. The concentration is also decreased as a consequence of washing out by rain and gravitational deposition.

3. The distribution by height of the radioactive debris carried in the atmosphere will depend in the first place on the energy of the explosion, on the conditions in which the explosion took place (i. e. on the earth, under the earth, or in the air) and on the meteorological conditions at the moment of explosion. In the case of low energy explosions in the air up to a height of approximately ten kilometres the radioactive debris will initially concentrate in a small volume below the tropopause. This debris will gradually get disseminated both horizontally and vertically in the troposphere and in the course of a period of from one to thirty days (depending on the turbulence of the atmosphere, the wind structure, and the dimensions of the particles which carry the radio-

active substances) it can be detected close to the earth's surface, as also at various heights up to the tropopause.

4. The spreading of the cloud in the atmosphere is determined by many meteorological processes. As a result of the action of these processes the cloud is bound to reach a stage when it is mixed in a vertical direction and spread in a horizontal direction in such a way as to afford the most convenient conditions for taking samples.

Calculations and experimental data give ground for considering that this stage will be reached in the period between the fifth and twentieth day of the existence of the cloud. Before that period the cloud may be too small, both in its horizontal and its vertical extent. After thirty days have expired a considerable part of the radioactive debris will decay and a sample will constitute a lesser proportion of the natural or other background, thereby making more difficult the detection and identification of an explosion.

5. Existing radiochemical techniques make it possible to detect and identify fresh decay products in a sample of radioactive debris containing about 10° fissions. The time of origin of this fresh debris can be determined within five to ten per cent of its age if the sample contains about 10° fissions and is not contaminated to any considerable extent by old fission products.

6. The taking of samples on the surface of the earth by a network of control posts makes it possible to carry out continual monitoring of the contamination of the air at many separate points by means of air filtration and also by collecting radioactive fallout and fallout in rain. It control posts are disposed at distances of the order of 2,000–3,000 kilometres then an explosion with an energy of 1 kt set off in the troposphere (0–10 kilometres above the surface of the earth) will be detected with a high degree of reliability in the period of five to twenty days although the place of explosion cannot be exactly determined and although the time of explosion will be determined with some error. Calculation shows that with favourable meteorological conditions an explosion of even lesser energy can be detected in this way.

In the course of the period of time of from two to five days after an explosion of energy equivalent to 1 kt the collection of a sample of radioactive debris from the explosion which is suitable for analysis can be effected in the air by an aircraft if the area of the supposed location of the cloud is known approximately. The taking of such a sample will make it possible to establish approximately the point of the explosion by means of using meteorological data for back-tracking the trajectory of movement of the cloud.

7. Underground or underwater explosions set off at shallow depths and accompanied by the throwing up of earth or water can also be identified by the method of collecting radioactive samples although with lesser reliability than for explosions of the same energy in the troposphere.

8. The Conference of Experts considers that systematic measurements of radioactive substances in the air and also the collection of radioactive aerosols deposited on the ground and measurements of the radioactivity of precipitation can be successfully used for the detection of nuclear explosions and also, in many cases, for assessing

certain parameters relating to them even in the absence of other indications.

The utilisation for a regular control service, as a method for detecting nuclear explosions, of the taking of samples of the air by aircraft over oceans can be used for detecting nuclear explosions. For this purpose use should be made of existing aircraft flights over the oceans which are carried out by various countries for the purposes of meteorological observations.

9. The Conference of Experts considers that the method of taking samples of radioactive debris can also be used successfully for subsequent investigation of the fact of a nuclear explosion in those cases when there are the appropriate indications from other methods.

For this purpose it is possible to use the detection of radioactive debris remaining at the point of the supposed explosion (on the earth's surface, under the earth, in the water) and also the determination of the presence of a radioactive cloud in the period between two and five days after a supposed explosion in the atmosphere in the area where the cloud is calculated to be by the time of investigation.

In such a case search for the radioactive cloud can be made on an aircraft having equipment for the taking of a sample of radioactive debris. To this end use should be made chiefly of the aircraft flights over the oceans made for the purposes of meteorological observations.

10. In some cases use can be made of aircraft flights over the territories of the USA, the USSR, the UK and other countries to collect air samples for the purpose of checking on data obtained by other methods of detection of nuclear explosions.

The Experts consider that to accomplish this task it would be quite sufficient to make use of the aircraft of the country being overflown and that in such cases it is sufficient that flights for the purpose specified should be made along routes laid down in advance. Representatives of the USSR, the USA, the UK or other States participating in the operation of the control system may be on board these aircraft in the capacity of observers.

11. The experts note that in the course of time the sensitivity and efficiency of the method of collecting radio-active debris will increase as a consequence of the atmosphere becoming cleared of the radioactive products it contains, and also as a result of the perfection of the techniques for collecting and analysing samples.

C. Conclusions as to the Applicability of the Method of Recording Seismio Waves for the Detection of Nuclear Explosions.

The Conference has considered the processes of propagation of seismic waves generated by nuclear explosions and the methods for recording these waves for the purpose of determining the possibility of using them for the detection of underground and underwater nuclear explosions.

1. When nuclear explosions occur under the ground or under the water, longitudinal transverse and surface waves are formed and get propagated to great distances. The first longitudinal wave is the most important, both for detecting an explosion and for determining the place of the explosion, and also for distinguishing an earth-

quake from explosions. Transverse and surface waves also help to define the nature of a seismic perturbation.

- 2. Longitudinal seismic waves caused by underground nuclear explosions set off under conditions analogous to those in which the Rainier ² shot occurred can be detected and the direction of first motion of the longitudinal wave can be determined at a distance of approximately 1,000 kilometres, and also at distances of approximately 2,000–3,500 kilometres at sites which are considerably more quiet than the average for:
- (a) explosions of the order of one kiloton recorded during periods of favourable noise conditions.
- (b) explosions of the order of five kilotons recorded during periods of unfavourable noise conditions.

It must be noted that all seismic stations situated at thousands of kilometres from one another cannot have an identically high or identically low level of background at one and the same time.

- 3. Conditions for detection and identification of underwater explosions set off in shallow water but at a sufficient depth, are considerably more favourable than conditions for detecting underground explosions.
- 4. Control posts carrying out seismic observations should be put at sites with a minimal level of microseismic background, such as are possible in internal continental regions. Such stations, when provided with arrays of seismographs, can Insure the obtaining of the data indicated above. However, at stations which are in unfavourable regions such as coastal and island regions the noise level will be higher than at quiet stations inside continents. In these cases for detection and determination of the sign of first motion the energy of the explosion must increase in the ratio of the power of 3/2 with respect to the increase of background level. This is in part compensated by the fact that quiet stations inside continents will register more powerful explosions at distances of from 2,000 to 3,500 kilometres. Bursts with an energy of 5 kilotons and more will be detected by quiet stations placed at the distances named.
- 5. The majority of earthquakes can be distinguished from explosions with a high degree of reliability if the direction of first motion of the longitudinal wave is clearly registered at 5 or more seismic stations on various bearings from the epicentre. Thus not less than 90 per cent of all earthquakes taking place in continents can be identified. The remaining 10 per cent or less of cases will require the analysis of additional seismograms where this is possible; and for this purpose use must also be made of the data of the existing network of seismic stations. If required, these supplementary stations should be further equipped with improved apparatus. In relatively aseismic areas it is sufficient merely to define the position of the epicentre. In this connection cases of detection of seismic events will be regarded as suspicious and will require further investigation with the help of other

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² The underground nuclear explosion "Rainier" with an energy of 1.7 kilotons (Nevada) was set off in unfavourable conditions for transferring energy to the ground. However, even worse conditions of coupling are possible. [Footnote in original.]

methods. For those cases which remain unidentified inspection of the region will be necessary.

In regions where the regular disposition of seismic stations in quiet conditions is not possible, the percentage of correct identification of earthquakes will be less.

With modern methods and making use of the data of several surrounding seismic stations the area within which an epiceutre is localized can be assessed as approximately 100-200 square kilometres.

6. It is noted that the range and accuracy of recording and identifying underground nuclear explosions can be improved in the future by means of perfecting the methods of recording seismic waves, both by way of perfecting apparatus and also by way of perfecting the methods for differentiating an earthquake from explosions.

D. Conclusions on the Applicability of the Method of Recording of Radio Signats for the Detection of Nuclear Explosions.

The Conference of Experts considered the generation and propagation of radio pulses originating from a nuclear explosion and the methods of recording these signals in order to determine the possibility of using them for the detection of nuclear explosions.

1. In the case of a nuclear explosion in the atmosphere, there arises a powerful electromagnetic radiation (radio signal), caused by the gamma radiation accompanying the explosion. In the case of underground, underwater, or specially shielded explosions radio emissions are not expected which can be recorded at great distances by modern techniques.

When the explosion is carried out on or above the surface of the earth (water) and without specially constructed layers to absorb gamma rays, the energy and spectral distribution of the radio signal are such that its essential components are propagated over the whole terrestrial globe. The strength of the radio signal depends upon certain features of the construction of the bomb and on the altitude of the explosion. An explosion of 1 kiloton yield can be detected by means of radio signals at distances exceeding 6,000 km assuming that in the neighbourhood of the receiving station there is no high noise level from local thunderstorms or other sources.

By radio direction finding methods, it is possible to determine the azimuth of the signal source with an accuracy of about 2°, i. e., about 30 km at a distance of 1,000 km. The time of production of the signal may be established with an accuracy of several milliseconds. The attainment of such accuracy depends on the choice of sufficiently flat location and on the absence of electrical interference at the receiving site.

2. Lightning flashes emit radio signals in the same frequency range and act as interference for the method of detection of a nuclear explosion by means of its radio signal.

Close to the source of radiation, the forms of radio signals from lightning and from nuclear explosions examined to date are quite different. However, at distances exceeding 1,000 kilometres, due to the distortion of the form of radio signals in the wave guide formed by the earth and the ionosphere, the form of radio signals from some individual lightning flashes is similar to the signal

from nuclear explosions. The number of signals from lightning flashes recorded by apparatus without using special techniques of signal selection depends on the sensitivity of the apparatus and on the locality and can amount to from ten to several hundred signals per second. Existing techniques can be applied to exclude automatically the preponderant majority of signals from lightning. The distinction of the remaining signals due to atmospherics from those due to nuclear explosions requires the application of special methods of discrimination, including criteria on form of signal, spectral distribution and distance to source of radiation.

In the present state of the technique of the discrimination of signals in some individual cases the record of a signal cannot be identified either as coming from a nuclear explosion or from lightning.

3. The Conference of Experts recommends that further research should be carried out in order to understand more fully the physical properties of atmospherics involved in differentiating signals from nuclear explosions and atmospherics, by means of the development of the theory of this problem, the collection and systematization of data about atmospherics and the development of suitable automatic instruments. The Conference considers that there are good prospects for improvement of procedures of signal discrimination.

4. Theoretical considerations suggest that recording of radio signals can be used to detect nuclear explosions occurring at altitudes up to the order of 1,000 kilometres.

E. Conclusions on the Methods of Detection of Nuclear Explosions Carried out at High Altitude (More than 30 to 50 Kilometres) Above the Earth

The Conference of Experts has given theoretical consideration to the gamma radiation and neutrons resulting from a nuclear explosion and the conditions of recording them from earth satellites; and to optical phenomena and ionization of the air in the upper layers of the atmosphere in the case of a high altitude explosion (altitudes above 30–50 kilometres) and has arrived at the following conclusions:

1. A kiloton nuclear explosion produces at its source delayed gamma-rays from fission products, and prompt gamma-rays and neutrons. The number of prompt gamma-rays and neutrons depends upon the construction of the device and upon the materials surrounding it. The delayed gamma-rays are insignificantly affected by these factors. At a distance of 10⁴ kilometres in vacuo, typical quantities of radiation from a one kiloton fission explosion are:

(a) Delayed gamma-rays
10° quanta/cm² during the first second

(b) prompt gamma rays ³ 10² quanta/cm² distributed over a time of about 10⁻⁷ sec.

³ Special shielding of the exploding device can considerably reduce the gamma-radiation accompanying the reaction, but cannot reduce the radiation from fission products. However, such shielding involves Increasing by several times the weight of the whole device. [Footnote in original.]

(c) Neutrons

104 neutrons/cm²

distributed over a time of a few seconds.

The cosmic background at the height at which earth satellites orbit is under study at the present time, attention being paid to the quantity, nature and energy of the particles; however, on the basis of preliminary data, it can be considered that the detection of an explosion from an earth satellite is possible, by means of registering the gamma-rays accompanying the nuclear reaction, neglecting shielding, and also by means of registering the gamma rays of the fission products and the neutrons. If both prompt gamma rays and neutrons are registered, it is possible to get some idea of the distance to the explosion. The use of gamma-rays from a nuclear explosion will make it possible to detect the explosion in cosmic space at a distance of the order of hundreds of thousands of kilometres from the earth. Estimate of the maximum distance for the detection requires data concerning the magnitude of the cosmic radiation at the orbit of the earth satellite. If there is an explosion at a height of 30-50 km and above, and if the height at which the earth satellite orbits is some thousands of kilometres, one can neglect the absorption of gamma quanta in the upper layers of the atmosphere. The Conference of Experts considers that it is possible to use for the detection of nuclear explosions at high altitudes the registration of gamma-radiation and neutrons with properly instrumented earth satellites.

2. In the case of an explosion at a great height light will be emitted at the point of the explosion and there will be luminescence in the upper layers of the atmosphere under the action of X-rays and fast atoms from the materials in the device. Light phenomena may be detectable from the surface of the earth in clear weather at night with the help of simple apparatus; in day time with the help of more sensitive apparatus. In cloudy weather the detection of optical phenomena from stations on the earth's surface would probably be extremely difficult.

The radiation from a nuclear explosion creates in the upper layers of the atmosphere a region of increased ionization which is detectable by the absorption of cosmic radio-signals or by anomalies in the propagation of radio waves.

Our knowledge of the absorption of cosmic noise by ionospheric phenomena is not sufficient to determine the number of natural events similar to those resulting from a nuclear explosion.

The Conference of Experts considers that it is possible to use the recording of ionospheric phenomena, using appropriate radio techniques, and of optical phenomena for the detection of nuclear explosions at high altitudes.

3. The Conference of Experts has not considered the problem of the detection of nuclear explosions which might be conducted in cosmic space at distances of millions of kilometres from the earth.

F. The Conference has recommended the inclusion of the first four of these methods in the number of basic methods for detecting nuclear explosions by means of a network of control posts, and considers it possible to use several methods for detection of nuclear explosions at high altitudes as stated in IIE1 and IIE2.

III. Conclusions on the Question of the Technical Equipment of the Control System for the Detection and Identification of Nuclear Explosions

The Conference of Experts has considered the questions related to the technical equipment of a control net intended to detect and identify nuclear explosions, and has come to the following conclusions:

1. The posts of the control net situated in continents should regularly be equipped with apparatus for the detection of explosions by the acoustic and seismic methods and also by the methods of recording radio signals and of collecting radioactive debris.

2. Certain posts situated on islands or near the shores of oceans should be equipped, in addition to the methods just mentioned, with apparatus for hydroacoustic detection of explosions.

3. Posts located on ships stationed or drifting within specified ocean areas should be equipped with apparatus for the detection of explosions by the method of collecting radioactive debris and by the hydroacoustic method. The method of recording radio signals and the acoustic method might also be used on ships if suitable equipment is developed, but the effectiveness of these two methods, particularly the acoustic one, will be considerably less than on land.

4. The apparatus installed at posts of the control network must be uniform and must satisfy the following basic technical requirements:

A. Scismic apparatus

The seismic apparatus of the control post should include:

(1) Approximately 10 short-period vertical seismographs dispersed over a distance of 1.5–3 kilometres and connected to the recording system by lines of cable. The seismographs should have a maximum magnification of the order of 10° at a frequency of 1 c.p.s. and a receiving band adequate to reproduce the characteristic form of the seismic signal;

(2) 2 horizontal seismographs with the parameters indicated in point (1);

(3) One three-component installation of long-period seismographs having a broad receiving band and a constant magnification of the order of $10^3-2\times10^3$ in the period range 1-10 seconds;

(4) One three-component installation of seismographs with a narrow receiving band and magnification of the order of 3×10^4 when T=2-2.5 seconds;

(5) At certain posts one three-component installation of long-period seismographs with magnification of the order of $10^4-2\times10^4$ at periods of T=25 seconds;

(6) Auxiliary equipment necessary in order to get precise records of the seismic signal; recording devices, chronometers, power supply units and apparatus for receiving automatic radio-signals giving correct time.

The seismic apparatus should be installed in places with a minimal level of micro-seismic background, away from

industrial areas, and on outcrops of bedrock (where possible). The seismographs should be installed in suitable vaults.

The area required for installing the seismic apparatus should be about 3×3 kilometres.

B. Acoustic apparatus

- (1) The infra-acoustic equipment for a control post should include not less than three sets of microbarographic units each of which should have: a system for averaging out turbulent noise, a pressure sensing unit, a transmission line and appropriate electronic amplifiers and automatic writing instruments;
- (2) The sensitivity of the microbarographic stations must ensure recording of acoustic signals in the period range 0.5-40 seconds, with an amplitude of 0.1 dynes per cm²;
- (3) The pressure sensing units of the microbarographs should be dispersed at about 10 kilometres from one another in order to determine the direction of arrival of the acoustic signal and the speed of propagation of the signal:
- (4) The hydroacoustic apparatus for a post, which is recommended for use only in oceanic zones, should include several hydrophones placed in the main submarine sound channel.

The hydrophones should be connected with the recording station on the coast by cables. Recordings of the hydroacoustic signal should be made in several frequency sub-ranges, covering a general frequency range of from one cycle per second to several thousand cycles per second.

The infra-acoustic equipment operates best in areas of low surface winds and flat terrain covered with trees or shrubs

C. Apparatus for recording a radio signal

The apparatus for recording a radio signal should consist of:

- (1) A loop-shaped radio direction finder or a radio direction finder with vertical antennas dispersed 4-5 kilometres from one another, with a frequency range of 10-15 kilocycles per second which will detect signals as low as 2 millivolts per metre;
- (2) A device for recording the form of the signal, the device to provide recording of the form of the radiopulse in a frequency range 500 c.p.s. - 200 kilocycles per second when the intensity of the field is 10 millivolts per metre and more;
- (3) An automatic selecting device based on separating out the characteristic electromagnetic signals accompanying nuclear explosions by their form, by their spectral density and by their amplitude and a device for analysing the signal spectrum that provides display of the spectral density of the signal in the frequency range 6-100 kilocycles per second. Although existing techniques exclude the preponderant majority of signals from lightning, further advantage will be taken of information from the acoustic, seismic or other basic methods of detection to aid in further discrimination between signals from nuclear explosions and from lightning flashes;

(4) The requisite measuring and auxiliary apparatus and also power-supply units and means for obtaining correct radio time signals.

The site on which the antennas and the electromagnetic recording apparatus are disposed should be on flat or rolling terrain with about 300 metres clear space around the antennas, and distant from sources of electrical interferences, power lines and communications lines.

D. Apparatus for collecting and analysing radioactive debris

The apparatus for collecting and analysing radioactive debris should include:

- (1) A large filtering installation with a through-put capacity of 2×10^4 cubic metres of air over 10-24 hours, and which is used on a 24-hour basis;
- (2) Equipment for collecting radioactive depositions—a surface with about 100 square metres area should be used. During dry weather, the surface can be washed down to collect dry fallout;
- (3) A laboratory for simple radiochemical analysis. Apparatus should be located in open areas, preferably on high ground, with high precipitation frequency. Appratus should not be located in cut-off valleys or near regions with high natural background.
- E. Apparatus installed on aircraft for collecting radioactive debris and detection of a radioactive cloud.
- (1) A filtering installation for aircraft should provide for the collection of the maximum quantity of the products of radioactive decay, the rate of filtering being about 3500 cubic metres an hour.
- (2) The aircraft utilized for the collection of radioactive debris should have equipment for the comparatively fast determination of the presence of fresh radioactive debris.
- (3) A small radiochemical laboratory will be located at each base for routine aircraft sampling flights.

Aircraft flights over ocean areas should be laid out as nearly as possible in approximately a north-south direction, and located near the sides of the major continents, as well as in the centre of oceans remote from continents.

- 5. All the apparatus of the control posts should be designed for reliable continuous operation.
- 6. Improved apparatus and techniques should be actively developed and expeditiously incorporated into the control system for the purpose of continuously improving the effectiveness for the detection and identification of nuclear explosions.

IV. Conclusions on a Control System for Detecting Violations of a Possible Agreement on the Suspension of Nuclear Tests

The Conference of Experts, having considered a control system for detecting violations of a possible agreement on the suspension of nuclear tests, has come to the conclusion that the methods for detecting nuclear explosions available at the present time, viz. the method of collecting samples of radioactive debris, the methods of recording

seismic, acoustic, and hydroacoustic waves, and the radiosignal method, along with the use of on-site inspection of unidentified events which could be suspected of being nuclear explosions, make it possible to detect and identify nuclear explosions, including low yield explosions (1–5 kt). The Conference has therefore come to the conclusion that it is technically feasible to establish with the capabilities and limitations indicated below, a workable and effective control system to detect violations of an agreement on the worldwide suspension of nuclear weapons tests.

The Conference of Experts has come to the following conclusions regarding such a system:

- 1. The control system should be under the direction of an international control organ which would ensure the coordination of the activities of the control system in such a way that the system would satisfy the following technical requirements and perform the functions involved:
- (a) The development, testing, and acceptance of the measuring apparatus and of the equipment, and stating the criteria for the siting, of the control posts;
- (b) Carrying out at the control posts and on aircraft, mentioned in items 3 and 5 of the present Conclusions, of continuous and effective observations for the phenomena which make it possible to detect nuclear explosions by the use of the methods recommended by the Conference;
- (c) Reliable communication, with the aid of existing channels where they are suitable for this purpose, between the international control organ on the one hand and, on the other hand, the control posts and the bases from which the regular aircraft flights are carried out; communications and transportation should ensure the speedy transmission of the results of observations, of data (including samples), of reports, and of necessary supplies:
- (d) Means of transport of personnel of the control posts in accordance with their duties and, so far as necessary, for the staff of the international control organ;
- (e) Timely analysis and processing of the data from the observations of the control posts with the aim of speedily identifying events which could be suspected of being nuclear explosions, and in order to be able to report thereon in such manner as is considered by governments to be appropriate;
- (f) Timely inspection of unidentified events which could be suspected of being nuclear explosions, in accordance with item 6 of the present Conclusions;
- (g) Staffing of the control system (the network of control posts on land, on ships, and on aircraft, and also the staff of the international control organ) with qualified personnel having appropriate fields of specialization;
- (h) Providing assistance in putting into effect a scientific research program, with the aim of raising the scientific standard of the system.
- 2. A network of control posts is characterized by three main parameters:
- (a) The minimum yield adopted for the nuclear explosion or the natural events giving equivalent signals;

- (b) The number of control posts;
- (c) The probability of correct identification of natural events, particularly earthquakes.

The dependence between these parameters is such that with an increase in the yield of the explosion or the number of control posts the probability of detection and identification increases, and the number of unidentified events suspected of being a nuclear explosion decreases. On the other hand, for the identification of the increased number of unidentified events resulting from a smaller number of control posts it would be necessary to increase the number of on-site inspections or to make greater use of information coming from sources not subordinate to the international control organ or, if necessary, both.

The Conference considers that the problem of detecting and identifying underground explosions is one of the most difficult, and that, to a large extent, it determines the characteristics of the network of control posts.

3. The network of control posts would include from 160 to 170 land-based control posts (equipped in accordance with Section III of this report) and about 10 ships. Of these 160–170 control posts about 100–110 would be situated in continents, 20 on large oceanic islands, and 40 on small oceanic islands; however, the exact number of control posts within the limits indicated above, can be determined only in the process of actually disposing them around the globe, taking into account the presence of noise at the sites at which they are located, and other circumstances.

The spacing between the control posts in continental aseismic areas would be about 1700 kilometres, and in seismic areas about 1000 kilometres. The spacing between the control posts in ocean areas would vary between 2000 and more than 3500 kilometres; the spacing between island control posts in seismic areas would be about 1000 kilometres. This would lead to the following approximate distribution of control posts over the globe (with a network including 110 continental posts):

North America – 24, Europe – 6, Asia – 37, Australia – 7, South America – 16, Africa – 16, Antarctica – 4; together with 60 control posts on islands and about 10 ships.

4. The tasks of the personnel of the control posts would include the ensuring of the normal functioning of apparatus, the preliminary processing of data received, and the forwarding of these data to the international control organ and to the government of the country on whose territory the control post is located in such a manner as may be considered appropriate by governments.

In order to earry out the tasks required one might need for each control post about 30 persons with various qualifications and fields of specialization, and also some persons for the auxiliary servicing staff.

5. In addition to the basic network described, air sampling would be accomplished by aircraft carrying out regular flights along north-south routes over the oceans along the peripheries of the Atlantic and Pacific Oceans, and also over areas of the oceans which are remote from surface control posts.

When it is necessary to investigate whether a radio-

active cloud is present, in the case of detection of an unidentified event which could be suspected of being a nuclear explosion, special aircraft flights would be organized in order to collect samples of radioactive debris in accordance with Section II B 10.

- 6. When the control posts detect an event which cannot be identified by the international control organ and which could be suspected of being a nuclear explosion, the international control organ can send an inspection group to the site of this event in order to determine whether a nuclear explosion had taken place or not. The group would be provided with equipment and apparatus appropriate to its task in each case. The inspection group would forward a report on the investigation it had carried out to the international control organ, and to the government of the country on the territory of which the investigation was made in such a manner as may be considered appropriate by governments.
- 7. The network of control posts disposed as described, together with the use of aircraft as described, would have the following effectiveness, subject to the qualifications discussed in items 8 and 9:
- (a) Good probability of detecting and identifying nuclear explosions of yields down to about 1 kiloton, taking place on the surface of the earth and up to 10 kilometre altitude, and good probability of detecting, but not always of identifying, explosions taking place at altitudes from 10 to 50 kilometre. In these cases the independent methods enumerated in Sections II A, II B and H D would be used.
- (b) Good probability of detecting nuclear explosions of 1 kiloton yield set off deep in the open ocean. In this case use would be made of the independent hydroacoustic and seismic methods described in Sections 11 Λ and 11 C.

The identification of underwater explosions can, in comparatively rare cases, be made more difficult by natural events which give similar hydroacoustic and seismic signals.

(c) Good probability of recording seismic signals from deep underground nuclear explosions in continents equivalent to 1 kiloton and above. In this case use would be made of the seismic method described in Section 11 C.

The problem of identifying deep underground explosions is considered in item 8.

8. Along with the observation of signals of possible underground explosions the control posts would record at the same time a considerable number of similar signals from natural earthquakes. Although, with the present

state of knowledge and techniques, the network of control posts would be unable to distinguish the signals from underground explosions from those of some earthquakes, it could identify as being of natural origin about 90 per cent of the continental earthquakes, whose signals are equivalent to 5 kiloton, and a small percentage of continental earthquakes equivalent to 1 kiloton.

It has been estimated on the basis of existing data that the number of earthquakes which would be undistinguishable on the basis of their seismic signals from deep underground nuclear explosions of about 5 kiloton yield could be in continental areas from 20 to 100 a year. Those unidentified events which could be suspected of being nuclear explosions would be inspected as described in item 6.

The capability of the control system to identify underground nuclear explosions of 1-5 kiloton yield depends on:

- (a) The small fraction of earthquakes that can be identified on the basis of data obtained from the control posts alone:
- (b) The fraction of earthquakes that can be identified with the aid of supplementary data obtained from existing seismic stations; and
- (c) The fraction of events still left unidentified which could be suspected of being nuclear explosions and for which the international control organ carries out inspection in accordance with Item 6.

Although the control system would have great difficulty in obtaining positive identification of a carefully concealed deep underground nuclear explosion, there would always be a possibility of detection of such a violation by Inspection.

The on-site inspection carried out by the international control organ in accordance with item 6 would be able to identify with good probability underwater nuclear explosions with a yield of 1 kiloton and above.

9. The Conference notes that in certain special cases the capability of detecting nuclear explosions would be reduced; for instance, when explosions are set off in those areas of the ocean where the number of control posts is small and the meteorological conditions are unfavorable; in the case of shallow underground explosions; when explosions are set off on islands in seismic regions; and in some other cases when the explosion is carefully concealed. In some cases it would be impossible to determine exactly the area in which a nuclear explosion that had been detected took place.

However, the Conference considers that whatever the precautionary measures adopted by a violator he could not be guaranteed against exposure, particularly if account is taken of the carrying out of inspection at the site of the snspected explosion.

- 10. The system described does not include specific means to detect and identify nuclear explosions at high altitudes (above 30–50 kilometres). The Conference has formulated its findings on the methods of detecting nuclear explosions set off at altitudes greater than 30–50 kilometres and has characterized these methods in Section II E.
- 11. The Conference of Experts recommends the control system described above for consideration by governments.

⁴ The Conference notes that in order to increase the percentage of earthquakes of less than 5 kiloton yield which could be identified, it would be appropriate to supplement the data from the control posts by trustworthy data from the best existing seismic stations. The results of the observations of these seismic stations should, for this purpose, be made available to the international control organ, and the equipment of the seismic stations suitable for this purpose could be improved by using the best modern apparatus. [Footnote in original.]

The following experts participated as delegates at the Conference:

Western Experts

Dr. James B. Fisk Dr. Robert F. Bacher Sir John Cockeraft Dr. Ernest O. Lawrence Sir William Pennoy Prof. Yves André Rocard Dr. O. M. Solandt Delegations of:

Union of Soviet Socialist Republics

E. K. Fedorov N. N. Semenov I. E. Tamm M. A. Sadovski Delegations of—continued Union of Soviet Socialist Republic—Continued

O. I. Leipunski I. P. Pasechnik K. E. Gubkin S. K. Tsarapkin Polish People's Republic

M. Miesowlcz L. Jurkiewicz Polish People's Republie— Continued

M. Blusztajn

Czechoslovak Republic

Č. Simáně F. Běhonnek A. Zátopek Z. Trhlik

People's Republic of Romania

H. Hulubei

U.S. Asks Soviets for Reply to Letter of July 1

Following is the text of a reply to the Soviet Government's note of July 15, 1958, proposing conclusion of a treaty of friendship and cooperation by the European states and the United States, which was delivered to the Soviet Ministry of Foreign Affairs at Moscow by the American Embassy on August 22, 1958. Identical answers were delivered to the Soviet Ministry of Foreign Affairs by the British and French Embassics.

U.S. NOTE OF AUGUST 22

Press release 490 dated August 23

The United States Government has examined the Soviet Government's note of July 15 and the draft Treaty attached to it. It does not propose at present to comment on the substance of either. This is not because it agrees with what is said or with the premise on which the Soviet Government bases its arguments. The reason is simply that the United States Government notes that the proposals embodied in the draft Treaty are largely a reflection of proposals already included in the Soviet Memorandum of May 5 1 about an agenda for a meeting of Heads of Government, although surprisingly no mention is made of such meeting in the Soviet note of July 15. The Western powers have made their own suggestions for topics to be examined by Heads of Government. They are prepared to express their views about the Soviet proposals and to receive Soviet views about their

own. For this purpose, the Western powers suggested, as long ago as May 31,² a practical procedure for discussing the agenda which would be fair to both parties. They still await a reply to this and also to their letter of July 1.³ In the meantime, to their regret, the preparatory discussions in Moscow are at a standstill. The United States Government believes that the first thing to be done, before the proposals of either party are discussed, is to resolve this question.

SOVIET NOTE OF JULY 154

Unofficial translation

Note No. 40/OSA

The Soviet Government considers it necessary to address itself to the Government of the United States of America on the following question.

The Government of the USSR considers that the situation unfolding on the European Continent obligates the Governments of all interested states to undertake efforts for working out joint measures which would halt the sliding of Europe toward war and to find roads toward the strengthening of peace on the basis of the growth of mutual trust and the broadening of multilateral cooperation between European states.

¹ Bulletin of July 7, 1958, p. 17.

² For texts of documents on Western agenda proposals, see *ibid.*, p. 12.

³ For a letter from President Eisenhower to Premier Khrushchev released by the White House on July 2, see *ibid.*, July 21, 1958, p. 95.

⁴ Handed to American Ambassador Llewellyn E. Thompson at Moscow on July 15 by Soviet First Deputy Minister of Foreign Affairs V. V. Kuznetsov.

Both world wars experienced by mankind were brought down first of all on the head of the European nations. No one can deny that as a result of these wars the greatest human sacrifices and material losses were borne by these very countries of Europe. Tens of millions of Europeans were killed on the field of battle, perished through the bombing of peaceful cities, died from wounds and diseases, were tortured in Fascist concentration camps. In the course of military operations, many once well-built and flourishing cities and villages were obliterated from the face of the earth, irreplaceable monuments of culture were destroyed. At the cost for every country of those who will not return, for every family of the losses and incredible physical and moral strain, the peoples of Europe merit the right to worthwhile existence without fear of tomorrow, for themselves and for the fate of fulure generations.

Today, the peoples of the European countries are again compelled to live under the conditions of feverish military preparations, under the threat of still a more terrible military catastrophe. The principle of impartial cooperation in international affairs, about which not little was said in the period of struggle with the common enemy is far from respected by all.

It is impossible not to see that such measures as the continuous whipping up of the armament race, especially atomic and hydrogen, the growth of armies and military expenditures, the establishment of nuclear and missile bases on foreign territories, the transfer of this armament into hands of new states, first of all to the Federal Republic of Germany, means in reality nothing other than preparation of war. This aim is served and conducted in some countries by propaganda which permeates with a lack of faith in the possibility for preserving peace, nourishes feelings of enmity, estrangement and downright hostility toward states and peoples which are located beyond their military groupings, have chosen different political and social systems and are building their own life in accordance with their ideals. Creation of opposing military groupings of states has given birth on the European Confinent to deep distrust and dangerous situation of tension.

It becomes more apparent every year that a war in Europe, if it unhappily should break out, and if at the same time special prohibitive or, at least, delimiting measures are not taken, will be a war using nuclear and ballistic means of annihilation. Despite the unilateral halting of tests of all types of atomic and hydrogen weapons by the Soviet Union, the USA and England continue to conduct such tests, to reject the conclusion of an agreement concerning renunciation of their use and, at the same time, they draw their allies in the North Atlantic Pact more and more into preparations for a ballistic missile-atomic war.

The assertion that supposedly by creating and accumulating the most deadly and destructive means of annihilation, mankind protects itself from the danger of a war utilizing these means appears as a challenge to good sense. The more atomic and hydrogen hombs in the arsenals of states, the wider the circle of states having nuclear and rocket weapons, the closer to each other the armed forces and bases of these powers, the more likely is the occur-

rence of a military explosion. To retain such a situation is just like holding a blow torch in a gun-powder magazine.

It is not difficult to imagine what would take place if the country-participants of the Warsaw Pact, instead of the measures which they take for the purpose of reducing tensions in Europe, began to operate in the same direction as the countries of NATO. It is understandable that the danger of a military explosion would increase one hundred-fold if they, in accordance with the example of NATO, in their turn began to impose an armaments race on other states, to move their military bases on foreign territories closer to the vital centers of the states-participants in the opposite military grouping, to send into the airspace of Europe to meet the American airplanes, which are continuously in the air and armed with atomic and hydrogen bombs, their own such military airplanes.

Being the largest state in Europe which twice in the course of one generation was subjected to invasion over its western borders, the Soviet Union, naturally, cannot but show unremitting concern over security in Europe which is inseparable from its own security. Millions of Soviet people did not give their lives on the field of battle during the Second World War in order that now the Soviet people could indifferently observe how in Europe inflammable material for a new war was being accumulated.

Like the other peace-loving states, the Soviet Union did and continues to do everything depending upon it to remove the danger of war and to establish peaceful cooperation based on trust among all the European states regardless of their social structure and membership in one or the other grouping of Powers.

The Soviet Union liquidated its military bases located in the territory of other states. Beyond the confines of its own borders the Soviet Union does not maintain stockpiles of atomic and hydrogen arms or missile launching sites. In the last three years the strength of the Soviet armed forces has been reduced unilaterally by a total of two million one hundred forty thousand persons. In this regard the armed forces of the USSR in the German Democratic Republic were reduced by more than ninety thousand persons. Military expenditures and armaments were correspondingly reduced. At the last session of the Supreme Soviet of the USSR a resolution was approved for the unilateral cessation by the Soviet Union of tests of all types of atomic and hydrogen arms.

At the meeting of the Political Consultative Committee of the states participating in the Warsaw Treaty, which took place at the end of May in Moscow, a decision was made concerning the withdrawal at a very early date from the Rumanian Peoples Republic of the Soviet armies which were there in conformity with that treaty and also concerning an additional reduction of the Soviet armies stationed in the territory of the Hungarian Peoples Republic.

Desiring to weaken the split appearing between the two basic groupings of powers in Europe which are in military conflict and to exclude the danger of the growing contradictions between them, the participants in the meeting proposed the conclusion of a pact of non-aggression hetween the member-states of the Warsaw Treaty and the member-states of the North Atlantic Alliance. The Soviet Government is convinced that the conclusion of such a pact of non-aggression would be a retiable preventive measure, strengthening the peace in Europe.

In spite of the tremendous positive role of such a pact of non-aggression, it is impossible, however, not to take into consideration that this measure represents only an initial step, the minimum, that it is necessary to undertake under present conditions for the purpose of establishing in Europe an atmosphere of due trust among states. It would be an unforgivable omission if, along with this, no effort was made to establish additional transitional steps from the present dangerous situation toward the establishment of the conditions of a firm peace in Europe.

The Soviet Government proceeds from the assumption that peace and security in Europe cannot be secured without the uniting of the efforts of all European states and the establishment among them of wide, att-inclusive cooperation. The experience at hand in regulating important international questions testifies that with good will on all sides possibilities and reserves can always be found for mutually acceptable decisions in aid of peace. Thus, in the first postwar years peace treaties were concluded with Bulgaria, Rumania, Hungary, Italy, and Finland, which to a significant degree contributed to the normatization of the position in Europe. Even more convincing testimony of this is the signature by the states in 1955, even under conditions of "cold war" and sharpened mistrust, of the Austrian state treaty, which reestablished the political and economic independence of Austria, as a neutral state.

The Government of the USSR, of course, knows that the governments of many Western European states, and also the USA, retain points of view different from its own on the reasons which have led to the present tension in Europe, just as in regard to the suitable measures for lessening this tension in the retations among European states.

Nevertheless, despite this, it is indisputable that the situation in Europe demands that the governments of the European countries rise above the present disagreements. Potemics not reinforced with real constructive steps, can of themselves neither stop the falling bombs nor lessen the force of their explosions. It cannot be allowed that disagreements disturb the sober contemplation of the facts which today fill Europeans with the feeling of deep alarm, and hide the most important thing—the necessity of earnestly and patiently seeking an agreement on concrete steps leading to the establishment of lasting peace in Europe.

As is well known, in the period between the two world wars the plans of guaranteeing security in Europe and the organization of general European cooperation suffered ruin above all because agreement was not achieved among the leading states which had the most powerful armed forces and whose united efforts would have made aggression impossible. In the opinion of the Soviet Government, it is necessary to study that period of history and not to repeat the serious errors of the past.

It is no longer necessary now to prove that the attempts

to substitute for the solution of the tasks facing Europe as a whole the practice of founding on a narrow, closed basis different unions of individual European states, like the coal and steel community, the common market, EURATOM, and so on, lead only to a situation in which these states more and more are opposed to the other states of Europe, digging ever deeper the ditch dividing today the Western part of Europe from the Eastern.

The idea of cooperation of alt European states, their drawing together in the interests of preserving the peace, of securing the well-being and flourishing of Europe, has deep roots in history and in the present life of European peoples. In the East as well as in the West of our continent, the striving for the development of mutual understanding and all round intercourse among European states is becoming stronger. The fact in particular that at the XH Session of the UN alt European states and the USA voted for the resolution on peaceful and good neighborly relations among states ⁵ testifies in particular to this.

The Soviet Government considers that the governments of European states, and the Government of the United States, if they all wish to stop the dangerous development of events in Europe, should make efforts toward working out on a regional basis general European decisions, which in practice could be brought into existence at the present stage and which could be acceptable for all governments. In this connection it is introducing a proposal on concluding a treaty of friendship and cooperation by the European states and also by the United States.

In the view of the Soviet Government, in such a treaty it would be advisable to include provisions directed toward warning and warding off aggression in Europe and toward strengthening the security of all European countries. In this it would be important to express the obligation of the European states and also the USA not to assist militarity or economically or to support morally any state disturbing the peace of Europe, regardless of whether they are or are not partners of the aggressor state under existing military pacts and treaties. It is known that the idea of such an agreement has been expressed many times in recent years including by the Governments of the USA, England, and France.

Taking into account the fact that the achievement of an agreement on disarmament is attended by significant difficulties and that the efforts made over many years in that direction have led to no progress whatever, the Soviet Government proposes to consider in the treaty measures which would make possible the elimination of the arms race and the execution in Europe of measures for curtailing the armies of the organizations of the Warsaw Pact and the North Atlantic Alliance. The initiative on the part of the European states in searching for such partial solutions could open the perspective also for broader agreements connected with the problem of disarmament.

⁵ For a statement by Ambassador Henry Cabot Lodge, U.S. Representative to the United Nations, during debate on the resolution in Committee I, see Bulletin of Jan. 20, 1958, p. 105.

Of major significance for preventing armed conflicts in Europe would be the foundation in direct continuity with the line dividing the military groupings existing in Europe of a zone in which neither the production nor the stationing of atomic, hydrogen, and rocket weapons would be allowed. In this case the parties to the treaty would take on the obligation to respect the status of the said zone and consider the territory of the states entering into it as excluded from the sphere of employment of the said type of arms.

In the treaty it would be desirable also to consider providing for the beginning of the reduction in the next one or two years of the number of foreign armed forces on the territory of Germany to $\frac{1}{3}$ or to a limit otherwise agreed on. With the carrying out of such a reduction it would be possible to agree on the establishment of a reliable system of control and inspection of the execution of this obligation by the parties to the appropriate treaty.

The Soviet Government expresses itself in favor of the execution of aerial photography in the limits of a definite zone located on both sides of the line dividing the armed forces of the states party to the Warsaw Treaty and the North Atlantic Alliance to prevent surprise

The development of the economy of the states-party to the treaty, the adjusting of peaceful business intercourse and mutual understanding among them undoubtedly would be facilitated by the expansion of mutually profitable and equitable economic cooperation on a basis excluding any discrimination or artificial limitations of any kind. Inclusion in the treaty of the above provisions would be all the more useful in that the encouragement of free-world trade would render good service to a number of states in whose economy especially in recent times unhealthy phenomena are making themselves felt.

The Soviet Government is a supporter of the development of the cooperation of European states and also of the USA for the solution of the great task of peaceful uses of atomic energy. It considers it desirable to express in the treaty the readiness of its participants to exchange experience of scientific research and industrial application of atomic energy, as well as raw material, materials and equipment. The joining of the efforts of the participants of the treaty in this field would assist in raising the well-being of people, the further development of science and culture and would ever more push ahead the frontiers of knowledge of the laws of nature and their utilization for the good of man.

In the opinion of the Soviet Government, the participants of the treaty would be able to put on a more solid foundation the development of ties and contacts with each other, especially along the lines of science, technology and culture with the aim of mutual familiarization with the national accomplishments of the peoples.

The treaty would also envisage other measures, the realization of which would facilitate lessening of the threat of an outbreak of war in Europe. The Soviet Government is guided by the conviction that the proposed measures in the aggregate will lead to the transformation of Europe into a zone of lasting peace and real security.

Taking into account the considerations outlined above, the Soviet Government is introducing for the examination of the Government of the United States of America and also of the governments of European states a draft "Treaty of Friendship and Cooperation of European States" and expresses the hope that the Government of the United States will regard this proposal favorably.

Moscow, 15 July 1958

TEXT OF PROPOSED TREATY

The Signatories

Resolved to promote in every way the development of friendly relations and cooperation between European states and to resolve all questions arising between them exclusively by peaceful means: recognizing that the creation of an atmosphere of trust between them is the most important task of the peoples of the European states, of excluding the possibility of the outbreak of a new war on the European continent;

Animated by a desire to carry out the high principles of the UN and in development of the situation in keeping with the resolution concerning peaceful and good neighborly relations between states, approved by the XII Session of the General Assembly of the UN,

They have decided to conclude the present treaty on Friendship and Collaboration of the European states and to these ends have agreed as follows:

Article 1

The signatories of the treaty may be all European states and the United States of America which recognize the aims and accept for themselves the obligations set forth in the present treaty.

Artiele 2

The signatories will, in the spirit of genuine cooperation and mutual understanding, develop and strengthen good neighborly and friendly relations among their peoples on the basis of the principles of mutual respect for territorial integrity and sovereignty, non-aggression, non-interference in each other's internal affairs, equality and mutual advantage.

Article 3

The signatories obligate themselves to solve all disputes which may arise among them exclusively by peaceful means and in accordance with the principles of the United Nations Charter.

In case a situation arises which could lead to a deterioration of the friendly relations between states or create a threat to the peace in Europe, the signatories will consult at once with one another for the purpose of taking such necessary mutual measures as are found appropriate for the elimination of the situation which has arisen.

Article 4

If one or more of the signatories is subjected to an attack on the part of any state, the other signatories to this treaty obligate themselves not to provide military and economic aid or moral support to the aggressor regard-

⁶ Enclosed with Soviet Note No. 40/OSA.

less of whether or not they are bound as allies or by some other commitments with the aggressor state.

Article 5

Until the conclusion of a general agreement on the limitations of arms and of armed forces and the banning of atomic weapons the signatories are obligated:

a) To reduce in the course of 1 to 2 years their armed forces and arms located in the territory of Germany by ½ or by another agreed amount, whereby the reduced contingents of armed forces must be withdrawn from the territory of Germany to within the confines of their own national borders.

After the aforesaid reduction of armed forces and armaments, to consider the question of the further reduction of foreign armed forces which are stationed on the territory of Germany and also the reduction of foreign armed forces located on the territory of other European states with the removal in both cases of the reduced contingents of the armed forces to the confines of their own national borders.

Regularly, and not less than twice yearly, to exchange information on the strength of armed forces and the quantity of armament of the signatories located on the territory of other states in Europe;

b) For the prevention of a possible surprise attack to provide for the conducting of aerial photography within a zone extending for 800 kilometers from the line demarking the armed forces of the member-countries of the North Atlantic Treaty and the participating states of the Warsaw Treaty. Such a zone will be established by agreement with the states whose territories are included in this zone.

The representatives of the signatories in the course of not more than 6 months after the signing of the present treaty will define the boundaries of the zones specified in paragraph (b) and will also establish an appropriate system of control and inspection for the fulfillment of the obligations specified in the present Article.

Article 6

The signatories unanimously favor the creation of a zone in Central Europe, free from the production and presence of atomic, hydrogen, and missile weapons, as well as from the equipping and manning of the above mentioned types of arms. This zone ought to comprise with the agreement of the appropriate governments the territory of the German Democratic Republic, the Federal Republic of Germany, the Polish Peoples' Republic, and the Czechoslovak Republic.

The signatories are obligated to respect the status of this zone and consider the territory of the governments which comprise it as a sphere for the use of atomic, hydrogen, and missile weapons. They recognize as indispensable the establishment of an appropriate system of control and inspection for fulfillment of agreement concerning the creation of such a zone.

Article 7

Proceeding on the belief, that economic cooperation and contacts between states are the natural and stable foundation for the strengthening of peaceful and friendly .relations between them, the signatories are obligated:

a) To develop economic cooperation and an exchange of experience; to extend the necessary cooperation to one another in the matter of solving the most urgent economic problems facing the most important significance for insuring the full employment of the population and the improvement of their well being;

To develop in every possible way cooperation in the field of trade between the countries participating in the agreement on the principles of full equality and mutual benefit.

- b) To take measures toward the gradual elimination of the obstacles and limitations still existing in the field of the development of economic relations between states on the basis of bilateral and multilateral agreements, as well as within the framework and by means of the European economic commission of the UN;
- c) To develop cooperation in the field of utilization of atomic energy for peaceful purposes, including exchange of experience in the construction of atomic energy, and the exchange of specialists, raw and other materials, and equipment.

Article 8

For the purpose of broadening international ties and cooperation in the field of science and culture, furthering mutual understanding between peoples, the signatories are obligated to develop and strengthen mutual ties in the field of science, culture, technology, and education. To these ends they express readiness to discuss in the near future concrete questions of cultural and scientific cooperation, having in view the conclusion of a bilateral or multilateral agreement on these questions.

Article 9

The present treaty is valid for a period of 10 years.

The treaty is subject to ratification in conformity with the legislative powers of the signatory states of the treaty.

Article 10

The treaty is open for the adherence of all European states.

Article 11

The present treaty, the Russian, English, French and German texts of which are authentic, will be submitted to the custody of the Secretary-General of the UN.

In witness thereof, the plenipotentiaries have signed the present treaty and have affixed their seals thereto.

Drawn up in the City _______1958.

Mr. Adams Named U.S. Commissioner on International Joint Commission

The White House announced on August 28 that the President had on that day appointed Francis L. Adams to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada, vice Roger B. McWhorter, resigned.

Revisions in Battle Act Embargo List

Press release 505 dated September 3

DEPARTMENT ANNOUNCEMENT

Douglas Dillon, Under Secretary for Economic Affairs and Administrator of the Mutual Defense Assistance Control Act of 1951 (Battle Act), announced on September 3 revisions in the Battle Act lists—the lists of items administered by the Department of State under the East-West security trade control program. The act directs that the embargo list "shall be continuously adjusted to current conditions on the basis of investigation and consultation." The last major revision was in 1954.2 These revisions involve intensive evaluation of economic and military developments, as well as the technical, intelligence, and other relevant factors determining the scope and measures necessary for the economic defense of the free world.

The revised lists, which became effective August 15, 1958, added some new items which embody recent technological and scientific advances and whose strategic significance therefore had increased since the last revision. Other items were removed because of a corresponding decrease in their strategic importance.

All countries receiving U.S. military, economic, or financial assistance and other free-world nations whose cooperation is sought to achieve the purposes of the act, as well as the six committees of the Congress mentioned in the act, are being provided with the revised lists.

Following is the revised unclassified title I, category A, Battle Act list of embargoed items, consisting of arms, ammunition, implements of war, and atomic energy materials.

TITLE I LIST-CATEGORY A

100-199 Series: Arms, Ammunition, and Implements of War

Item No.

Description

- 101 Small arms and machine guns, as follows:
 - (a) Rifles, carbines, revolvers, pistols, machine pistols and machine guns designed specifically for military use;
 - (b) All specifically designed components and parts therefor.
- 102 Artillery, as follows:
 - (a) Guns, howitzers, cannon, mortars, tank destroyers, rocket launchers, military flame throwers, recoilless rifles;
 - (b) All specifically designed components and parts for the foregoing.
- 103 Ammunition, and all specifically designed components and parts thereof, for the weapons enumerated under Items 101 and 102.
- 104 Bombs, torpedoes, rockets, and missiles guided or unguided, as follows:
 - (a) Bombs, torpedoes, grenades (including smoke grenades), smoke canisters, rockets, mines, missiles guided or unguided, depth charges, fire bombs, incendiary bombs; and all specifically designed components and parts therefor.
 - (b) Apparatus and devices specifically designed for the handling, control, activation, launching, laying, sweeping, discharging, detonation or detection of items enumerated in subitem (a); and all specifically designed components and parts therefor;
 - (c) Military fuel thickeners, including but not limited to: compounds (e.g., octal) or mixtures of such compounds (e.g., napalm) specifically formulated for the purpose of producing materials which, when added to petroleum products, provide a gel-type incendiary material for use in bombs, projectiles, flame throwers, or other implements of war.
- 105 Fire control equipment and range finders, as follows:
 - (a) Fire control, gun laying, night sighting, missile tracking, and guidance equipment;
 - (b) Range, position and height finders, and spotting instruments specially designed for military purposes;
 - (c) Aiming devices, electronic, gyroscopic, acoustic and optical, specially designed for military purposes;
 - (d) Bomb sights, bombing computers, gun sights and periscopes specially designed for military purposes;
 - (e) Television sighting units specially designed for military purposes, and inertial platforms;
 - (f) Components, parts, accessories, and attachments specifically designed for the articles enumerated in sub-items (a), (b), (c), (d) and (e) above.
- 106 Tanks, and vehicles specially designed for military purposes, as follows:
 - (a) Tanks and self-propelled guns:
 - (b) Military type armed or armored vehicles, and vehicles fitted with mountings for arms;
 - (c) Armored railway trains;
 - (d) Military half tracks;
 - (e) Military type recovery vehicles;
 - (f) Gun carriers and tractors specially designed for towing artillery;

¹ For a Department of Commerce announcement of August 14 of changes being made in U.S. export controls, see BULLETIN of Sept. 8, 1958, p. 392.

² Ibid., Sept. 13, 1954, p. 372.

- (g) Trailers specifically designed to carry ammunition:
- (h) Amphibious and deep water fording military vehicles;
- Military mobile repair shops specifically designed to service military equipment;
- (j) All other specially designed military vehicles:
- (k) All specifically designed components and parts for the foregoing.

107 Toxicological agents, as follows:

- (a) Biological, chemical, and radioactive materials adapted for use in war to produce casualties in men or animals, or to damage crops;
- (b) Equipment specifically designed and intended for the dissemination of the materials described in sub-item (a);
- (c) Equipment specifically designed and intended for defense against the materials described in sub-item (a), and for their detection and identification;

(d) Components and parts specially designed for the items listed in (b) and (c) above.

(Note: Sub-item (c) above does not include masks used for protection against specific industrial hazards, such as fumes or powders in mining, quarrying, and chemical plants, and gas masks designed for civilian use.)

108 Powders, explosives and propellants, as follows:
(a) Powders and liquid or solid propellants for

the articles enumerated in Items Nos. 103, 104, and 107;

(b) Military high explosives;

(c) Chemical base high energy solid or liquid fuels specially formulated for military purposes.

(Note: Sub-items (a) and (b) above will not be considered to cover exports in reasonable quantities of propellants and explosives normally used for civilian or industrial purposes or made up into cartridges or charges of an exclusively civilian or industrial nature.)

- 109 Vessels of war, and special naval equipment, as follows:
 - (a) Combatant vessels or vessels designed for offensive or defensive action (surface or underwater);
 - (b) (1) Diesel engines of 1,500 h. p. and over with rotary speed of 600 r. p. m. or over (except those incorporated in generator sets);
 - Electric motors over 1.000 h. p., reversing type, liquid cooled and totally enclosed;
 - (c) Magnetic, pressure, and acoustic underwater detection devices specially designed for military purposes, controls and components thereof;

(d) Submarine and torpedo nets;

- (e) Components, parts, accessories and attachments for the foregoing, such as turrets, naval gun mounts, submarine batteries and catapults.
- Aircraft and helicopters, of the piloted or pilotless types and aero-engines and aircraft equipment, associated equipment and components, specially designed for military purposes as set out below:
 - (a) Combat aircraft and other aircraft specially designed for military purposes, including military reconnaissance, assault, military training, and logistic support, and all aircraft having special structural features such as multiple hatches, special doors, ramps, relnforced floors, and the like, for transporting

and airdropping troops, military equipment, and supplies; aero-engines specially designed or adapted for use with such aircraft; and component parts thereof;

- (b) Airborne equipment, including airborne refueling equipment, specially designed for use with the aircraft and the engines of the types of aircraft covered by sub-item (a) and component parts thereof;
- (c) Nonexpansive balloons in excess of 3,000 cubic feet capacity.
- 111 Electronic equipment specially designed for military use; and components and parts therefor.
- 115 Military infra-red equipment and specialized components therefor, not elsewhere specified.
- Munitions components and materials, as follows:
 (a) Brass and bronze fabrications for primer anvils, fabrications for bullet cups (gilding metal clad steel), cartridge link, primer cap,
 - shell rotating bank;
 (b) Copper rotating bands for shells, and other copper munitions components.

(c) Gilding metal clad steel;

(d) Rough steel forgings, steel and alloy castings for guns and for arms.

200-299 Series: Atomic Energy Materials

Item No. Description

201 Fissionable materials, including but not limited to:

(a) Plutonium;

- (b) Uranium enriched in the isotope 233 or in the isotope 235:
- (c) Any material artificially enriched by any of the foregoing.
- 202 Uranium metal; thorium metal.
- 203 Metals, alloys, and compounds containing uranium or thorium, (excluding (i) alloys, not containing uranium, but containing less than 1.5 percent of thorium by weights; and (ii) medicinals).
- 204 Minerals, raw and treated (including residues and tailings), which contain by weight at least 0.05 percent of uranium or thorium or any combination thereof, including but not limited to:
 - (a) Monazite sand and other ores containing thorium;
 - (b) Carnotite, pitchblende and other ores containing uranium.
- 205 Deuterium and compounds, mixtures, and solutions containing denterium, including heavy water and heavy paratlin, in which the ratio of deuterium atoms to hydrogen atoms exceeds 1:5000 by number.
- 218 Equipment specifically designed for the separation of isotopes of uranium.
- 219 Cyclotrons, belt-type electrostatic generators (Van de Graaff machines), synchro-cyclotrons, betatrons, synchotrons, linear accelerators and other electronuclear machines capable of imparting energies in excess of 1,000,000 electron volts to a nuclear particle or an ion (except such electronuclear machines specifically designed for use in medical diagnosis and therapy); and magnets specifically designed therefor.
- 220 Radiation detection instruments and components of the following types, designed or capable of being adapted for detection or measurement of nuclear radiations, such as alpha and beta particles, gamma radiations, neutrons and protons:

(a) Proportional counters;

- (b) Neutron counters containing boron, boron trifluoride, or hydrogen;
- (c) Scaling units and rate meters, suitable for use in radiation detection;
- (d) Scintillation counters incorporating a photomultiplier tube.

222 Ion separators, electromagnetic, including mass

- spectrographs and mass spectrometers for any purpose.
- 223 Acceleration tubes and focusing tubes of the kinds used in mass spectrometers and mass spectrographs.
- 224 Positive ion sources suitable for use in cyclotrons, mass spectrometers and the like.

Planning Economic Development in the Arab World

by Norman Burns 1

First of all I would like to compliment your program committee upon their choice of a topic for this morning's session, namely, "Economic Potential of the Arab States."

This subject is of fundamental importance to the Arab people. Your selection of this topic will enable the convention to:

- (a) Review briefly the very considerable measures already taken by the Arab states to set the stage for economic development;
- (b) Explore the potential for future economic development; and to
- (c) Formulate its views regarding the kind of planning that will enable the Arab countries to realize their full economic potential.

The thoughts that I am expressing here this morning will not be new to you. You will have heard such opinions often from Arab economists in your own countries who have been urging, in rising crescendo over the last two or three decades, greater economic development to bring about better living conditions for the mass of people. My views are only a synthesis of what I, as a foreign visitor, saw and heard during the years I was privileged to live in the Arab countries since my first sojourn there in 1929.

Stages of Economic Growth

Economic historians, who have studied the processes of economic development in many societies

throughout the world over the last few centuries, tell us that most societies pass through four distinct stages of economic growth in their evolution to full economic maturity. These stages are:

- 1. The traditional society.
- 2. Preconditions for the takeoff.
- 3. The takeoff stage—where society acquires the habit of rapid economic growth.
- 4. Economic maturity—when production has outstripped population to a point where real income rises well above the subsistence level, resulting in higher living standards for the vast majority of the population.

Traditional Stage

In the traditional stage, society is based upon custom. There is stability in this phase, but it is a static stability in which people accept their lot because it was the lot of their fathers and forefathers before them. The traditional societies are primarily agricultural. Population remains relatively constant over the years, with both birth and death rate being very high. Production is low. Poverty is the lot of the masses. This traditional stage characterized the Middle East until the end of World War I.

Preconditions for the Takeoff

Traditional societies do not always remain traditional; but some evolve faster than others. What causes a society that has been static for centuries to experience a spurt of energy that economic historians call the takeoff? What are the preconditions for the takeoff?

Economic historians say that one major precondition is the establishment of a central government

¹Address made before the seventh annual convention of the Organization of Arab Students in the United States at the University of Illinois, Urbana, Ill., on Sept. 3 (press release 504 dated Sept. 2). Mr. Burns is Deputy Regional Director for the Near East and Sonth Asia, International Cooperation Administration.

strong enough to maintain internal order over a wide area so that people can engage in economic activity in relative security and at the same time strong enough to protect those within against external attack. This condition is often brought about by the threat of external interference which stimulates a consciousness of the general group interest (as distinguished from family, clan, or sect interest) and a realization of the need to strengthen the central government to protect the group interest against the external threat. Hence, nationalism is often associated with and a precondition of the takeoff.

A second precondition is the emergence of some form of economic activity that will bring together in one enterprise enough people and capital to carry economic activity out of the purely handicraft stage and to focus emphasis upon more efficient means of production, laborsaving devices, mechanization, the development of more intensive skills and an expansion of markets. Such aggregates developed in England during the 17th century in textile manufacturing and coal mining, in the United States during the 19th century in northern factories and railroads, in Japan at the end of the 19th century in textile manufacturing and shipping. During this process people become aware that scientific techniques enable them to control their environment in a way that was never possible in the traditional stage when they had to rely almost entirely upon human and animal power. Scientific techniques (machines and chemical technology) give them the power—which they never had in the traditional stage—to increase production tremendously and to raise their own living standards. The new technology-movie, radio, and automobile—enables them to learn how other people benefit from the fruits of the new technology. Thus the new technology generates what some have called the rising tide of expectation of the masses for a better economic and social life.

A third precondition (closely associated with the second precondition) to the takeoff is an improvement in agricultural-production methods that will enable the agricultural sector of the population to feed not only itself but also the growing nonagricultural population needed in the takeoff stage for industrial production and general services, e. g., factory workers, government employees, doctors, teachers, construction workers, etc. In the United States, for example, during the traditional stage at the end of the 18th century, the agricultural sector raised enough food to feed itself plus a nonagricultural population equivalent to one-third of the agricultural population. But today the agricultural sector raises enough food to feed itself plus a nonagricultural population eight times that of the agricultural population. A similar process seems to have started in the Arab Near East where large urban concentrations are developing-e.g., Cairo, Alexandria, Beirut, Damascus, Aleppo, Baghdad, Basra, etc.—and where the urban proportion of the population is increasing, relative to the rural. Near East industrial production is increasing faster than agricultural production, according to the U.N. Economic Developments in the Middle East, 1956-57.2

The Arab Middle East has been passing through this stage—the preconditions for the takeoff—during the last quarter of a century. Central governments, encouraged or forced by nationalism, have strengthened their authority and widened the area of their authority to insure order within for the people to expand their economic activity and protection from without that the Arab people may evolve along the lines of their own national aspirations.

Not only the foreign developed oil industry but the multitude of locally owned textile, food-processing, and building-material factories that have sprung up since the war have brought capital and people together to focus attention upon improved production techniques, greater technical skills, wider markets, etc. The Arab people have acquired the spirit of economic growth. They have become aware of the potentialities of the new technologies and are demanding economic and social benefits that they would never have thought of only 25 years ago.

Central governments, responding in greater or lesser degree to the popular pressures, have developed much of the infrastructure prerequisite for the takeoff stage of economic growth, namely, roads, railroads, irrigation systems, public water, sewage and health services, elementary schools, agricultural and vocational training centers, etc.

Many modern factories and large irrigation works may be seen in most of the Arab countries today, which have sprung up since the last war.

 $^{^2}$ U.N. publication 1958, II.C.2 (U.N. doc. E/3116) (Corr. 1).

The administrative structure of the central governments has been expanded to include ministries of industry, public works and communications, public health, social welfare, and education, bureans of statistics, laboratories for public health, agriculture, and industrial testing, and agricultural colleges which hardly existed, if at all, 25 years ago. Fiscal systems have been modernized to obtain more government revenue and to channel such revenue into productive development. recent years the Arab states, Egypt, Syria, Lebanon, Iraq, and Jordan, have devoted nearly one-half of their total central-government expenditures to economic and social services, as compared with one-third for defense and police. Arab government expenditures on education alone have increased fivefold in the last 15 years. The Arab states are now at the threshold of the takeoff stage.

Takeoff Stage

The takeoff stage of economic growth is one of tension and acute problems. Population expands rapidly, with the birth rate remaining high as in the past and the death rate falling as new technology spreads to public health. More people want more things and are determined to get more things. The rising tide of expectation of the masses becomes a dominant force in the takeoff stage.

Nationalism that emerged in the precondition stage intensifies in the takeoff phase when the awakened masses want to improve not only internal conditions but also the position of their country relative to the more developed countries. In the takeoff stage resurgent nationalism and social reform march hand in hand. These powerful forces may alter the structure of the traditional society to create a new framework that will encourage more rapid economic growth, with the benefits spread throughout the entire population. But there is always danger that the forces of nationalism and social reform may dissipate themselves in unproductive struggle leading to a new but different solidification of the social structure that will benefit only a particular segment of the population (not necessarily the old elite) at the expense of the majority and without improving economic and social conditions for the masses.

What particular problems face the Arab states in the takeoff phase of economic growth? The Arab states are confronted with a rapidly expand-

ing population insistent upon better living standards. The Arab states—United Arab Republic, Jordan, Lebanon, Saudi Arabia, Sudan, Libya, and Kuwait—have a population of 50 million that is increasing at 2 percent net per year. This means that within another 20 years there will be an additional 25 million people to feed, shelter, clothe, and educate. The only way in which living standards can be raised for this expanding population is to increase production faster than population. Thus, the Arab states are faced with an overwhelming need to accelerate their economic development. This requires heavy new capital investment. Economic historians estimate that, to achieve the desired rate of economic growth in the takeoff period, new capital investment must reach 15 or 20 percent of the total national income. In the traditional stage new capital investment seldom exceeds 5 percent of total national income.

Not only must economic development be speeded up, but the increased output must be passed on to the masses if the Arab states are to pass successfully through the takeoff stage into full economic maturity with higher real income for the great majority of the population. This crucial fact should be kept in mind by all those who are concerned with planning economic development in the Arab world.

Guidelines for Planning Economic Development

How can the great human and material resources of the Middle East be brought to bear more fully upon this problem? What are the planning guidelines that will encourage more rapid economic growth, with the benefits spread throughout all classes of society?

The first guideline, I believe, should be to emphasize agricultural expansion. This would have two major economic effects. It would provide more food for local people, many of whom live on less than 2,000 calories per day. It would enable the Middle East countries that are net food importers—Egypt, Saudi Arabia, Lebanon, Jordan, and Libya—to reduce their imports of foodstuffs, thereby releasing foreign exchange for the importation of heavy equipment and materials needed in their major economic development projects.

Three-fourths of the Middle East people make their living from agriculture—yet the area of cropped land is small relative to population. The

land-man ratio—that is, the ratio of annually cropped land to total population of the country is very low, i. e., only .3 to 1.0 acre per person in the various countries as compared with 2.3 acres per person in the United States. The area of cultivated land should be expanded, and this means irrigation since most of the available rainfed land is already in use. Water resources are available if utilized. At present, 50 percent of the Nile River waters, 75 percent of the Tigris-Euphrates water, and over 90 percent of the waters of the Jordan, Orontes, and Litani Rivers flow wasted into the sea. Engineering plans have been made by the Arab governments to harness these waters and some projects are already being carried out, but, until these irrigation plans are implemented on a large scale (at large capital cost), it will be difficult to bring about a major expansion in agricultural production in the Arab Middle East.

Steps are being taken to improve agricultural production techniques, and these should be encouraged. As a result of such measures, accompanied by an expansion in cultivated acreage, the total food production in the Near East was 52 percent higher and per capita food production 8 percent higher in 1956-57 than the 4-year prewar average, according to the FAO State of Food and Agriculture, 1957.3 Among the desirable steps are land tenure reform so the cultivators will have a greater stake in increasing output which will belong to them rather than to the landlords. Egypt has already made great strides under its land-reform law of 1952. Village aid programs, emphasizing health, educational, agricultural, and vocational services for the fellahin, increase agricultural production and benefit the masses. Iraqi miri sirf program, the Egyptian rural village centers, and the Musa Bey Alami project in Jordan are examples of such constructive programs. Agricultural experimentation and demonstration farms, including agricultural extension services to bring knowledge of the new techniques to the fellahin, should have high priority in all long-range development programs. Such farms have been started in Lebanon, Syria, Iraq, Jordan, Egypt, Saudi Arabia, and Sudan.

A second guideline would be to expand industry so as to give the Near East countries a better balanced economy. One-crop exporting countries are usually too highly dependent upon world mar-

kets for a single crop to achieve stability in either their balance of payments, their government budgets, or their general internal economy. Among local industries that might be encouraged are those based upon the processing of local raw materials, e. g. food processing and textiles, and those where transportation costs give local producers a competitive advantage, e. g. cement, brick, concrete pipe, etc. Local petroleum will provide a cheap source of power for such industries. The expansion of local industry would be facilitated by the reduction of intraregional trade barriers. The Arab states have already made considerable progress since 1953 in reducing intraregional trade barriers, especially in agricultural products but less so in industrial products. The U.N. reports that only one-seventh of the Near East countries trade is intraregional, the great bulk of the trade being with Western Europe.

The third guideline would emphasize education in general and agricultural and vocational training in particular, since implementation of the large agricultural and industrial development programs depends upon the availability of skilled labor, agricultural experts, and engineers. gineering schools such as that at Aleppo in Syria, agricultural colleges such as that at Abu Ghravib in Iraq, vocational trade schools such as those at Amman and Kalandia in Jordan, and engineering and agricultural schools such as those in Egypt are already turning out a growing supply of trained experts. But the total number is still small relative to needs. An UNRWA [United Nations Relief and Works Agency] survey of 1954 4 reported that per thousand population there were only onetenth as many students in vocational, trade, and agricultural schools of the secondary and elementary level in the Arab Near East as in the United States or Western Europe. The disparity is even more marked in agricultural and engineering training at the university level. These facts are pointed out to emphasize why the Arab states have wisely accorded, and should continue to accord, high priority to agricultural and engineering training.

The fourth guideline relates to the need for capital. The development programs mentioned above, particularly those of an infrastructure nature such as highways, irrigation systems, public utilities, educational installations, etc., require

³ U.N. doc. E/3105/Add. 5.

^{&#}x27; U.N. doc. A/2717/Rev. 1.

huge amounts of capital. The United Nations Economic Development in the Middle East, 1956–57 noted that, except for Iraq, all of the Arab Near East countries are short of development capital. This report stated, with respect to the Middle East:

Expanding national expenditures, public and private, for practically all the countries of the region, seem to have outstripped resources available from domestic sources....

The pressure on domestic resources—with the consequent dependence of the region on foreign sources of finance—has arisen not only as a result of conscious collective efforts for economic and social development and for defence, but also because of a comparatively rapid population growth in practically all the countries of the region.

The Middle East oil industry has provided considerable capital that has been used, in greater or lesser degree in the different countries, for developmental purposes. Iraq is an example of a country that has used 70 percent of its total oil revenue for economic development. Direct royalties and tax payments by the oil-producing companies to the Arab governments where the oil is located rose from \$141 million in 1950 to \$507 million in 1953 to \$844 million in 1957.

In addition, substantial payments were made by the producing companies to the oil-transit countries, namely: the United Arab Republic as tolls for oil tankers passing through the Suez Canal (two-thirds of the total traffic through the canal in both directions being oil tankers); to the Syrian province of the U.A.R., Lebanon, and Jordan, as transit fees for the pipelines passing through these countries. The oil companies also provide substantial amounts of foreign exchange to both oilproducing and oil-transit countries of the Arab Near East through the local purchase of labor, supplies, and services. Thus the oil industry is of major significance in future Middle East economic development. The only area of the world that can absorb and thus maintain this tremendous flow of Middle East oil is Western Europe, since the Americas, the U.S.S.R., and Southeast Asia have their own oil production.

However, as the United Nations report pointed out, the Arab states (except Iraq), even with their oil income, are short of capital to accelerate economic development at a rate where production will

outstrip the population increase. In this connection, President Eisenhower made certain proposals before the U.N. General Assembly on August 13, 1958, that might make more development capital available to the Arab countries.⁶ He proposed:

That consultations be immediately undertaken by the Secretary-General [of the U.N.] with the Arab nations of the Near East to ascertain whether an agreement can be reached to establish an Arab development institution on a regional basis . . . which would attract international capital, both public and private.

Should the Arab states agree on the usefulness of such a soundly organized regional institution, and should they be prepared to support it with their own resources, the United States would also be prepared to support it.

The institution would be set up to provide loans to the Arab states as well as the technical assistance required in the formulation of development projects.

The institution should be governed by the Arab states themselves.

It would be premature to predict the outcome of these proposals. But one step which may have far-reaching significance has already been taken. Ten Arab states have formulated their own resolution relative to the current Middle East situation, which inter alia,

Invites the Secretary-General to continue his studies now under way and in this context to consult as appropriate with the Arab countries of the Near East with a view to possible assistance regarding an Arab development institution designed to further economic growth in these countries.

This resolution was passed at the U.N. General Assembly by an overwhelming vote of 80 to 0 on August 21, 1958.

Conclusions

The Arab states are now entering the takeoff phase of economic growth.

This stage is one of acute tensions and problems when there is an overwhelming urge among the people for rapid economic development to improve general living conditions.

The capacity of the Arab states to evolve through the takeoff into the full economic maturity will depend upon their ability to accelerate production faster than population and to conduct the process so as to benefit not simply one segment of the population but the majority of the people.

^{*}Includes in 1957; Saudi Arabia \$328 million; Kuwait \$305 million; Iraq \$139 million; Qatar \$55 million; Bahrein \$10 million; and the Neutral Zone \$7 million. [Footnote in original.]

⁶ BULLETIN of Sept. 1, 1958, p. 337.

⁷ For text, see *ibid.*, Sept. 15, 1958, p. 411.

The guidelines for a constructive development program, include:

- 1. Expansion of agriculture, by increasing the irrigated area and adopting improved production techniques;
- 2. Expansion of local industry, particularly those based upon the processing of local raw materials, to achieve a better balanced economy;
- 3. Expansion of education, particularly agricultural and vocational training, to provide the skilled experts needed in the agricultural and industrial development;
- 4. Establishment of a financial institution that will obtain, from internal and external sources, the development capital needed to implement these development programs.

The evidence indicates that serious consideration is being given to all of these points in the Arab world today.

The concluding thought that I would leave with the Organization of Arab Students in the United States—you who will be leaders in the economic and social development of your respective countries—is this. The question that ought to be asked regarding each developmental activity is whether or not it will really improve economic and social conditions for the majority of the people or whether it only appears to do so. This is the pragmatic standard against which all developmental activity should be measured if the Arab world is to realize its full economic potential in the years ahead.

U.S. Delegations to International Conferences

ECAFE Working Party on Economic Development and Planning

The Department of State announced on August 28 (press release 500) the designation of Richard M. Alt, Director of Research of the New England Mutual Life Insurance Company, Boston, Mass., as the U.S. delegate to the meeting of the Working Party on Economic Development and Planning of the Economic Commission for Asia and the Far East to be held in Bangkok September 2–13, 1958.

This meeting will bring together economic experts to consider the problem of industrialization and economic development of the member countries located in Asia and the Far East. The meeting will consider, among other subjects: (1) government policies and measures for promoting industrialization within the frame of national economic development plans; (2) criteria for selecting particular industries for establishment or expansion, including the consideration given to economic balance and to international division of labor; (3) problems and experiences relating to the scale of industrial production and to the choice of labor-incentive or capital-incentive processes.

TREATY INFORMATION

U.S. and Denmark Sign Agreement on Compensation for Ships

Press release 498 dated August 28

The United States and Denmark on August 28 concluded an agreement regarding the remaining claims for compensation for 40 Danish ships requisitioned by the United States in 1941 and used during World War II. The agreement was by exchange of notes providing for payment by the U.S. Government to the Danish Government of \$5,296,302. Henrik de Kauffmann, the Ambassador of Denmark, signed on behalf of his Government. Christian A. Herter, Acting Secretary of State, signed on behalf of the U.S. Government and made the following statement:

I am indeed pleased that we today have concluded an agreement finally resolving the questions between the Governments of the United States and Denmark regarding compensation for the Danish ships requisitioned by the United States in 1941. I have been able to sign this agreement on behalf of the United States because of the action of this Congress in approving these terms of settlement. In view particularly of the long and complicated history of this matter, I am gratified that the efforts of all who have worked for its solution have had this happy result.

It is especially appropriate that you, Mr. Ambassador, should have participated in the conclusion of this agreement. You concurred in the taking of the ships in 1941

¹ For a statement made by President Eisenhower on approving the legislation authorizing payment to Denmark, see Bulletin of June 23, 1958, p. 1055; for a statement made by Mr. Herter before the House Committee on Foreign Affairs on May 21, 1957, see *ibid.*, June 24, 1957, p. 1020.

and have since worked continuously to bring about a definitive solution to the problem of compensation.

Together we have today forged another link in the strong chain of United States-Danish cooperation and friendship.

I take great pleasure, Mr. Ambassador, in handing you this check pursuant to the agreement we have just concluded

The payment of \$5,296,302 pursuant to this agreement is for the purpose of bringing compensation for these Danish ships into line with compensation received by American owners. The necessity for such a payment arose from the following succession of circumstances:

Verbal arrangements for the taking of the vessels were made in 1941 by representatives of the Department of State and the Danish Minister (now Ambassador). The United States was not at war at the time and it was considered that the concurrence of the Danish Minister should be obtained. The Minister concurred despite the contrary instructions of the Government of occupied Denmark.

The verbal arrangements regarding the ships were not reduced to writing. It has been confirmed, however, in the official records, primarily the records of the Congress, that an oral understanding was reached whereby the United States for the taking and use of the vessels would pay compensation equivalent to that which American owners would be entitled to for American vessels taken for use. Such compensation would have included charter hire for the vessels while in possession and use by the United States and compensation for title values of those vessels which were lost

The owners of the ships, through negotiated settlement contracts made in 1946 and two series of suits before the Court of Claims ending in 1952 and 1956 respectively, obtained considerable compensation. This, however, fell short of the amount arrived at by applying the equal treatment-use compensation formula of the original understanding.

The Government of Denmark, upon the failure of the owners to obtain satisfaction through the above local remedies, requested additional payment pursuant to the original understanding. It indicated that it would accept payment of \$5.3 million as full and final settlement of the matter. The \$5.3 million was arrived at by deducting the amount already paid the owners (\$35.4 million)

from the total amount (\$40.7 million) that they would be entitled to on equal treatment-use compensation basis. This remainder is the amount provided in the agreement.

Current Actions

MULTILATERAL

Atomic Energy

Statute of the International Atomic Energy Agency.

Done at New York October 26, 1956. Entered into
force July 29, 1957. TIAS 3873.

Ratification deposited: Philippines, September 2, 1958.

BILATERAL

European Atomic Energy Community

Agreement relating to programs for advancement of the peaceful applications of atomic energy. Signed at Brussels May 29 and at Washington June 18, 1958. Entered into force: August 27, 1958 (date on which each party received from the other written notification that it has complied with statutory and constitutional requirements).

France

Agreement amending the agreement relating to the loan of the small aircraft carrier *Belleau Wood* to France (TIAS 2907, 3509) by providing for an extension of such loan to June 30, 1960. Effected by exchange of notes at Washington August 22 and 26, 1958. Entered into force August 26, 1958.

Norway

Agreement amending annex C of the mutual defense assistance agreement of January 27, 1950 (TIAS 2016). Effected by exchange of notes at Oslo July 25 and August 16, 1958. Entered into force August 16, 1958.

Panama

Agreement extending the agreement of August 5, 1957, authorizing inspection by Panamanian nautical inspectors of vessels of Panamanian registry in the Canal Zone (TIAS 3893). Effected by exchange of notes at Panamá August 5 and 16, 1958. Entered into force August 16, 1958.

Peru

Agreement amending the agricultural commodities agreement of May 2, 1957 (TIAS 3827). Effected by exchange of notes at Lima August 15 and 22, 1958. Entered into force August 22, 1958.

DEPARTMENT AND FOREIGN SERVICE

State Department Establishes Bureau of African Affairs

The Department of State announced on August 20 (press release 478) the establishment of a Bureau of African Affairs. The bureau will be

headed by an Assistant Secretary of State to be appointed by the President pursuant to authorizing legislation recently enacted by the Congress.

The new bureau includes the Office of Northern African Affairs and the Office of Middle and Southern African Affairs, both of which have been transferred from the Bureau of Near Eastern, South Asian and African Affairs.

The former Bureau of Near Eastern, South Asian and African Affairs now becomes the Bureau of Near Eastern and South Asian Affairs, under Assistant Secretary William M. Rountree.

The Bureau of African Affairs is delegated responsibility for the general conduct of foreign relations with the continent of Africa, except for Algeria, which continues within the jurisdiction of the Bureau of European Affairs, and Egypt and the Sudan, which remain with the Bureau of Near Eastern and South Asian Affairs.

Creation of the new bureau constitutes recognition of the greatly increasing importance of the African Continent, which has experienced the birth of four new independent states since January 1, 1956. It is also responsive to a general consensus that a separate Bureau of African Affairs is vital to the efficient conduct of our relations with that continent. The action was made possible by the decision of Congress to authorize the establishment of the additional position of Assistant Secretary and to appropriate the necessary funds.

The evolution of the handling of African affairs within the Department of State has paralleled the political, economic, and social advancement of Africa. Until the last war, all of Africa except Egypt, Ethiopia, and Liberia was the responsibility of the Bureau of European Affairs.

In 1943 a separate Office of African Affairs was organized within the Bureau of Near Eastern, South Asian and African Affairs with responsibility for most of the continent of Africa.

The trend toward a more unified approach to Africa advanced another step late in 1955 when it was decided to transfer responsibility for administering our relations with the Union of South Africa and Madagascar from the Bureau of European Affairs to the Bureau of Near Eastern, South Asian and African Affairs.

In September 1956 the Department of State created the position of Deputy Assistant Secretary for African Affairs within the Bureau of Near Eastern, South Asian and African Affairs and under him two offices, the Office of Northern

African Affairs and the Office of Southern African Affairs.¹

The new bureau will be concerned with U.S. relations with an area comprising approximately 50 different political entities: independent countries, trust territories, and dependencies. The area involved has a total population of about 200 million. At present the United States maintains 7 embassies, 11 consulates general, and 9 consulates in this area. Four of the consular posts were opened during the last fiscal year; six more will be opened in the current fiscal year.

The political entities for which the new Bureau of African Affairs will be responsible include:

Office of Northern African Affairs:

Morocco, Tunisia, Libya, Ethiopia, French Somaliland, British Somaliland, Somalia, and Spanish Sahara (Rio de Oro).

Office of Middle and Southern African Affairs:

Zanzibar, Kenya, Uganda, Tanganyika, Federation of Rhodesia and Nyasaland, Mozambique, Madagascar, Union of South Africa, South West Africa, Bechuanaland, Basutoland, Swaziland, Angola, Belgian Congo, Ruanda-Urundi, French Equatorial Africa, Cameroun, Rio Muni, Nigeria, British Cameroons, Ghana, Togo, Liberia, Sierra Leone, Portuguese Gulnea, Spanish Guinea, French West Africa, Gambia, and off-lying islands in the Atlantic and Indian Oceans.

Confirmations

The Senate on August 23 confirmed Joseph C. Satterthwaite to be an Assistant Secretary of State. (For biographic details, see Department of State press release 479 dated August 20.)

Designations

James K. Penfield to be Deputy Assistant Secretary for Africau Affairs, effective September 21. (For biographic details, see Department of State press release 495 dated August 26.)

Joseph Palmer 2d to be Consul General, with personal rank of Minister, at Salisbury, the Federation of Rhodesia and Nyasaland, effective September 21. (For biographic details, see Department of State press release 494 dated August 26.)

Opening of Consulate at Peshawar, Pakistan

A new consulate at Peshawar, Pakistan, was opened to the public on August 6. The supervisory post for Peshawar is the Consulate General at Lahore, Pakistan. Gordon D. King is the principal officer at the post.

¹ Bulletin of Sept. 24, 1956, p. 497.

475

474

452

467

462

448

466 474 469

. . 445, 447 . . . 447, 448

| Africa Palmer designated Cousul General, Salisbury Penfield designated Deputy Assistant Secretary for | 476 476 | Current Actions |
|--|--------------------------|---|
| African Affairs | 476 | U.S.S.R. East-West Technical Experts Conclude Talks at Geneva (Fisk, communique, final report) 49 |
| Affairs | 475 | Revisions in Battle Act Embargo List 40 U.S. Asks Soviets for Reply to Letter of July 1 |
| American Ideals (Lodge) | 448 | (texts of notes) |
| ECAFE Working Party on Economic Development and Planning (delegate) | 474 | $Name\ Index$ |
| Fourth Anniversary of SEATO (Eisenhower, Dulles) | 447 | Adams, Francis L 4 Alt, Richard M 4 Burns, Norman 4 |
| Atomic Energy. East-West Technical Experts Conclude Talks at Geneva (Fisk, communique, final report) | 452 | Dulles, Secretary |
| Canada. Mr. Adams Named U.S. Commissioner on International Joint Commission | 466 | Herter, Christian A 4 King, Gordon D |
| China, Communist. U.S. Reviews Chinese Communist Aggressive Actions in Taiwan Straits Area (Dulles, White House statement) | 445 | Lodge, Henry Cabot 4 Palmer, Joseph 2d 4 Penfield, James K 4 Satterthwaite, Joseph C 4 |
| Denmark. U.S. and Denmark Sign Agreement on Compensation for Ships | 474 | |
| Department and Foreign Service Confirmations (Satterthwaite) Designations (Palmer, Penfield) Opening of Consulate at Peshawar, Pakistan State Department Establishes Bureau of African Affairs | 476 476 476 475 | Check List of Department of State Press Releases: September 1-7 Press releases may be obtained from the News Division, Department of State, Washington 25, D.C. Releases issued prior to September 1 which ap- |
| Economic Affairs Planning Economic Development in the Arab World (Burns) | 469 467 | pear in this issue of the Bulletin are Nos, 478 of August 20, 490 of August 23, and 498 and 500 of August 28. |
| International Organizations and Conferences Mr. Adams Named U.S. Commissioner ou International Joint Commission | 466 474 | No. Date Subject 504 9/2 Burns: "Planning Economic Development in the Arab World." 505 9/3 Revisions in the Battle Act lists. †506 9/3 Delegate to ECE Timber Committee session (rewrite). *507 9/3 DLF agreement signed with Ceylon. |
| Japan. Japanese Foreign Minister To Visit Washington | 447 | *507 9/3 DLF agreement signed with Ceylon. †508 9/3 Convening of 12th Selection Boards. *509 9/3 U.S. diplomatic officials in Near East to meet at Athens. |
| Middle East Planning Economic Development in the Arab World (Burns) | 469 | †510 9/4 Herter: "International Politics and the Preservation of Peace." |
| The United Nations and American Ideals (Lodge, Eisenhower) | 448 | †511 9/4 Reinhardt: "The Challenge of the Times." 512 9/5 Dulles: 4th anniversary of SEATO. |
| Military Affairs. U.S. Reviews Chinese Communist Aggressive Actions in Taiwan Straits Area (Dulles, White House statement) | 445 | *513 9/5 DLF loan to Paraguay for Asunción water system. 514 9/5 Visit of Foreign Minister Fujiyama |
| Mutual Security. Revisions in Battle Act Embargo | 467 | *515 9/5 Japanese management experts to visit U.S. |
| Pakistan. Opening of Consulate at Peshawar, Pakistan | 476 | *516 9/6 DLF loan to Republic of China for Shihmen dam project. †517 9/6 Reply to Soviet note on balloons. |
| Presidential Documents Fourth Anniversary of SEATO | 447 448 | †518 9/6 Note to U.S.S.R. on missing U.S. air- craft and crew. |
| Southeast Asia Treaty Organization. Fourth Anniversary of SEATO (Eisenhower, Dulles) | | †Held for a later issue of the Bulletin. |

ment of State mber 1-7

| †506 | 9/3 | Delegate to ECE Timber Committee ses- |
|------|-----|---|
| • | · | sion (rewrite). |
| *507 | 9/3 | DLF agreement signed with Ceylon. |
| †508 | 9/3 | Convening of 12th Selection Boards. |
| *509 | 9/3 | U.S. diplomatic officials in Near East to |
| | | meet at Athens. |
| †510 | 9/4 | Herter: "International Politics and the |
| | | Preservation of Peace." |
| †511 | 9/4 | Reinhardt: "The Challenge of the |
| | | Times." |
| 512 | 9/5 | Dulles: 4th anniversary of SEATO. |
| *513 | 9/5 | DLF loan to Paraguay for Asunción |
| | | water system. |
| 514 | 9/5 | Visit of Foreign Minister Fujiyama |
| | | (rewrite). |
| *515 | 9/5 | Japanese management experts to visit |
| | | U.S. |
| *516 | 9/6 | DLF loan to Republic of China for |
| | | Shihmen dam project. |
| †517 | 9/6 | Reply to Soviet note on balloons. |

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| Vol. XXXIX, No. 1005 | September 29, 1958 |
|---|--------------------|
| COMMUNIST THREAT TO PEACE AREA • Report by President Eisenhower | |
| SECRETARY DULLES' NEWS CONFERENCE TEMBER 9 | |
| INTERNATIONAL POLITICS AND THE TION OF PEACE • by Under Secreta | |
| THE UNITED NATIONS: THE ROAD A sistant Secretary Wilcox | |
| THE CHALLENGE OF THE TIMES • Reinhardt, Counselor | |
| PRESIDENT CORRECTS SOVIET MIS ON TAIWAN SITUATION • I respondence Between President Eisenhor Khrushchev | Exchange of Cor- |

For index see inside back cover

THE DEPARTMENT OF STATE



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The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

Communist Threat to Peace in Taiwan Area

Report by President Eisenhower¹

My friends: Tonight I want to talk to you about the situation, dangerous to peace, which has developed in the Formosa Straits in the Far East. My purpose is to give you its basic facts and then my conclusions as to our Nation's proper course of action.

To begin, let us remember that traditionally this country and its Government have always been passionately devoted to peace with honor, as they are now. We shall never resort to force in settlement of differences except when compelled to do so to defend against aggression and to protect our vital interests.

This means that, in our view, negotiations and conciliation should never be abandoned in favor of force and strife. While we shall never timidly retreat before the threat of armed aggression, we would welcome in the present circumstances negotiations that could have a fruitful result in preserving the peace of the Formosa area and reaching a solution that could be acceptable to all parties concerned, including, of course, our ally, the Republic of China.

Bombardment of Quemoy and Matsu

On the morning of August 23d the Chinese Communists opened a severe bombardment of Quemoy, an island in the Formosa Straits off the China coast. Another island in the same area, Matsu, was also attacked. These two islands have always been a part of Free China—never under Communist control.

This bombardment of Quemoy has been going on almost continuously ever since. Also, Chinese Communists have been using their naval craft to try to break up the supplying of Quemoy with its 125,000 people. Their normal source of supply is by sea from Formosa, where the Government of Free China is now located.

Chinese Communists say that they will capture Quemoy. So far they have not actually attempted a landing, but their bombardment has caused great damage. Over 1,000 people have been killed or wounded. In large part these are civilians.

This is a tragic affair. It is shocking that in this day and age naked force should be used for such aggressive purposes.

But this is not the first time that the Chinese Communists have acted in this way.

In 1950 they attacked and tried to conquer the Republic of Korea. At that time President Truman announced the intention of protecting Formosa, the principal area still held by Free China, because of the belief that Formosa's safety was vital to the security of the United States and the free world. Our Government has adhered firmly ever since 1950 to that policy.

In 1953 and 1954 the Chinese Communists took an active part in the war in Indochina against Viet-Nam.

In the fall of 1954 they attacked Quemoy and Matsu, the same two islands they are attacking now. They broke off that attack when, in January 1955, the Congress and I agreed that we should firmly support Free China.²

Since then, for about 4 years, Chinese Communists have not used force for aggressive purposes. We have achieved an armistice in Korea

¹ Made to the American people over radio and television from the White House on Sept. 11.

² For background and text of the joint resolution on the defense of Formosa, see Bulletin of Feb. 7, 1955, p. 211.

which stopped the fighting there in 1953. There is a 1954 armistice in Viet-Nam; and since 1955 there has been quiet in the Formosa Straits area. We had hoped that the Chinese Communists were becoming peaceful—but it seems not.

So the world is again faced with the problem of armed aggression. Powerful dictatorships are attacking an exposed, but free, area.

What should we do?

Shall we take the position that, submitting to threat, it is better to surrender pieces of free territory in the hope that this will satisfy the appetite of the aggressor and we shall have peace?

Do we not still remember that the name of "Munich" symbolizes a vain hope of appeasing dictators?

At that time the policy of appeasement was tried, and it failed. Prior to the Second World War, Mussolini seized Ethiopia. In the Far East Japanese warlords were grabbing Manchuria by force. Hitler sent his armed forces into the Rhineland in violation of the Versailles Treaty. Then he annexed little Austria. When he got away with that, he next turned to Czechoslovakia and began taking it bit by bit.

In the face of all these attacks on freedom by the dictators, the powerful democracies stood aside. It seemed that Ethiopia and Manchuria were too far away and too unimportant to fight about. In Europe appeasement was looked upon as the way to peace. The democracies felt that, if they tried to stop what was going on, that would mean war. But, because of these repeated retreats, war came just the same.

If the democracies had stood firm at the beginning, almost surely there would have been no World War. Instead they gave such an appearance of weakness and timidity that aggressive rulers were encouraged to overrun one country after another. In the end the democracies saw that their very survival was at stake. They had no alternative but to turn and fight in what proved to be the most terrible war that the world has ever known.

I know something about that war, and I never want to see that history repeated. But, my fellow Americans, it certainly can be repeated if the peace-loving democratic nations again fearfully practice a policy of standing idly by while big aggressors use armed force to conquer the small and weak.

Let us suppose that the Chinese Communists conquer Quemoy. Would that be the end of the story? We know that it would not be the end of the story. History teaches that, when powerful despots can gain something through aggression, they try, by the same methods, to gain more and more and more and more.

Also, we have more to guide us than the teachings of history. We have the statements, the boastings, of the Chinese Communists themselves. They frankly say that their present military effort is part of a program to conquer Formosa.

It is as certain as can be that the shooting which the Chinese Communists started on August 23d had as its purpose not just the taking of the island of Quemoy. It is part of what is indeed an ambitious plan of armed conquest.

This plan would liquidate all of the free-world positions in the Western Pacific area and bring them under captive governments which would be hostile to the United States and the free world. Thus the Chinese and Russian Communists would come to dominate at least the western half of the now friendly Pacific Ocean.

So aggression by ruthless despots again imposes a clear danger to the United States and to the free world.

In this effort the Chinese Communists and the Soviet Union appear to be working hand in hand. Last Monday I received a long letter on this subject from Prime Minister Khrushchev.³ He warned the United States against helping its allies in the Western Pacific. He said that we should not support the Republic of China and the Republic of Korea. He contended that we should desert them, return all of our naval forces to our home bases, and leave our friends in the Far East to face, alone, the combined military power of the Soviet Union and Communist China.

Does Mr. Khrushchev think that we have so soon forgotten Korea?

I must say to you very frankly and soberly, my friends, the United States cannot accept the result that the Communists seek. Neither can we show, now, a weakness of purpose—a timidity—which would surely lead them to move more aggressively against us and our friends in the Western Pacific area.

³ For text of the Soviet letter and the President's reply, see p. 498.

If the Chinese Communists have decided to risk a war, it is not because Quemoy itself is so valuable to them. They have been getting along without Quemoy ever since they seized the China mainland 9 years ago.

If they have now decided to risk a war, it can only be because they, and their Soviet allies, have decided to find out whether threatening war is a policy from which they can make big gains.

If that is their decision, then a Western Pacific "Munich" would not buy us peace or security. It would encourage the aggressors. It would dismay our friends and allies there. If history teaches anything, appearement would make it more likely that we would have to fight a major war.

Security of Western Pacific Vital to U.S.

Congress has made clear its recognition that the security of the Western Pacific is vital to the security of the United States and that we should be firm. The Senate has ratified, by overwhelming vote, security treaties with the Republic of China covering Formosa and the Pescadores, and also the Republic of Korea. We have a mutual security treaty with the Republic of the Philippines, which could be next in line for conquest if Formosa fell into hostile hands. These treaties commit the United States to the defense of the treaty areas. In addition, there is a joint resolution which the Congress passed in January 1955 dealing specifically with Formosa and the offshore islands of Free China in the Formosa Straits.

At that time the situation was similar to what it is today.

Congress then voted the President authority to employ the armed forces of the United States for the defense not only of Formosa but of related positions, such as Quemoy and Matsu, if I believed their defense to be appropriate in assuring the defense of Formosa.

I might add that the mandate from the Congress was given by an almost unanimous bipartisan vote.

Today, the Chinese Communists announce, repeatedly and officially, that their military operations against Quemoy are preliminary to attack on Formosa. So it is clear that the Formosa Straits resolution of 1955 applies to the present situation.

If the present bombardment and harassment of Quemoy should be converted into a major assault, with which the local defenders could not cope, then we would be compelled to face precisely the situation that Congress visualized in 1955.

I have repeatedly sought to make clear our position in this matter so that there would not be danger of Communist miscalculation. The Secretary of State on September 4th made a statement to the same end.⁴ This statement could not, of course, cover every contingency. Indeed, I interpret the joint resolution as requiring me not to make absolute advance commitments but to use my judgment according to the circumstances of the time. But the statement did carry a clear meaning to the Chinese Communists and to the Soviet Union. There will be no retreat in the face of armed aggression, which is part and parcel of a continuing program of using armed force to conquer new regions.

I do not believe that the United States can be either lured or frightened into appeasement. I believe that, in taking the position of opposing aggression by force, I am taking the only position which is consistent with the vital interests of the United States and, indeed, with the peace of the world.

Some misguided persons have said that Quemoy is nothing to become excited about. They said the same about South Korea—about Viet-Nam, about Lebanon.

Now I assure you that no American boy will be asked by me to fight just for Quemoy. But those who make up our armed forces—and I believe the American people as a whole—do stand ready to defend the principle that armed force shall not be used for aggressive purposes.

Upon observance of that principle depends a lasting and just peace. It is that same principle that protects the Western Pacific free-world positions as well as the security of our homeland. If we are not ready to defend this principle, then indeed tragedy after tragedy would befall us.

Prospect for Negotiation

But there is a far better way than resort to force to settle these differences, and there is some hope that such a better way may be followed.

That is the way of negotiation.

That way is open and prepared because in 1955

⁴ Bulletin of Sept. 22, 1958, p. 445.

arrangements were made between the United States and the Chinese Communists that an ambassador on each side would be authorized to discuss at Geneva certain problems of common concern. These included the matter of release of American civilians imprisoned in Communist China and such questions as the renunciation of force in the Formosa area. There have been 73 meetings since August 1955.

When our ambassador, who was conducting these negotiations, was recently transferred to another post, we named as successor Mr. [Jacob D.] Beam, our Ambassador to Poland. The Chinese Communists were notified accordingly the latter part of July, but there was no response.

The Secretary of State, in his September 4th statement, referred to these Geneva negotiations. Two days later, Mr. Chou En-lai, the Premier of the People's Republic of China, proposed that these talks should be resumed "in the interests of peace." This was followed up on September 8th by Mr. Mao Tse-tung, the Chairman of the People's Republic of China. We promptly welcomed this prospect and instructed our Ambassador at Warsaw to be ready immediately to resume these talks. We expect that the talks will begin upon the return to Warsaw of the Chinese Communist Ambassador, who has been in Peiping.

Perhaps our suggestion may be bearing fruit. We devoutly hope so.

Naturally, the United States will adhere to the position it first took in 1955, that we will not in these talks be a party to any arrangements which would prejudice rights of our ally, the Republic of China.

We know by hard experiences that the Chinese Communist leaders are indeed militant and aggressive. But we cannot believe that they would now persist in a course of military aggression which would threaten world peace, with all that would be involved. We believe that diplomacy can and should find a way out. There are measures that can be taken to assure that these offshore islands will not be a thorn in the side of peace. We believe that arrangements are urgently required to stop gunfire and to pave the way to a peaceful solution.

If the bilateral talks between ambassadors do not fully succeed, there is still the hope that the

United Nations could exert a peaceful influence on the situation.

In 1955 the hostilities of the Chinese Communists in the Formosa area were brought before the United Nations Security Council. But the Chinese Communists rejected its jurisdiction.⁵ They said that they were entitled to Formosa and the offshore islands and that, if they used armed force to get them, that was purely a "civil war" and that the United Nations had no right to concern itself.

They claimed also that the attack by the Communist north Koreans on south Korea was "civil war" and that the United Nations and the United States were "aggressors" because they helped south Korea. They said the same about their attack on Viet-Nam.

I feel sure that these pretexts will never deceive or control world opinion. The fact is that Communist Chinese hostilities in the Formosa Straits area do endanger world peace. I do not believe that any rulers, however aggressive they may be, will flout efforts to find a peaceful and honorable solution, whether it be by direct negotiations or through the United Nations.

My friends, we are confronted with a serious situation. But it is typical of the security problems of the world today. Powerful and aggressive forces are constantly probing, now here, now there, to see whether the free world is weakening. In the face of this there are no easy choices available. It is misleading for anyone to imply that there are.

However, the present situation, though serious, is by no means desperate or hopeless.

There is not going to be any appearement.

I believe that there is not going to be any war. But there must be sober realization by the American people that our legitimate purposes are again being tested by those who threaten peace and freedom everywhere.

This has not been the first test for us and for the free world. Probably it will not be the last. But as we meet each test with courage and unity, we contribute to the safety and the honor of our beloved land—and to the cause of a just and lasting peace.

⁶ Ibid., Feb. 14, 1955, p. 251.

Secretary Dulles' News Conference of September 9

Press release 524 dated September 9

Secretary Dulles: I will be glad to receive your questions.

- Q. Mr. Secretary, the Army Chief of Information is quoted by the Associated Press this morning as having said that the decision to aid the Chinese Nationalists in the defense of Quemoy and Matsu was unanimous on the part of the Joint Chiefs of Staff. This would appear to be the first official statement by a Government official of such a decision. Is that eorrect?
 - A. That it is the first such statement?
 - Q. By anyone on the record.
- A. Well, I don't quite get the purport of your question.
- Q. Well, the purport of the question is, has the United States made a decision to help Chiang Kaishek defend Quemoy and Matsu?
- A. It has made the decision reported in the statement which I made at Newport on September 4 with the authority of the President.¹ That is the only such decision taken.
- Q. But in that statement, as I recall it, you said that the President had taken no decision.
- A. I think that the statement is replete with decisions. There was no definitive decision because, as the statement pointed out, certain of the facts could not be known in advance of the event. But certainly that statement was a significant statement. It has been so interpreted, at least, by the Chinese Communists and by the Soviet Union. Certainly they see significance in the statement.
- Q. Well, if the United States has taken such a decision, why does not the Government say so publicly and officially?
 - A. Because the President has not taken any such

- Q. Could we move that question just one step closer to the area, Mr. Secretary? The dispatches reporting the military action in the strait yesterday, which involved the blowing up of a Nationalist ammunition ship, made the point that the escorting American vessels withheld their fire. Can you tell us under what orders the American escort vessels are maneuvering in the strait with regard to withholding their fire and what would happen if a Chinese Communist shell hit an American ship?
- A. I cannot tell you what would happen. It would depend a great deal upon the circumstances—whether it was an accidental hit or if it was a deliberate hit. If it was a deliberate assault upon an American vessel in what we regard as the high seas, then there would presumably be the same type of reaction that there would be, and indeed has been, when there have been attacks on American planes in the international air. If it is judged to be an accidental affair, that would be another matter again.
- Q. Well, on the first part, if it was a deliberate assault—you sort of left the hypothesis up in the air—what would happen if it was a deliberate assault?
- A. I imagine, if there were a deliberate attack upon a United States naval craft in international waters, that it would reply in some way.
- Q. Mr. Secretary, were you the high official at Newport the other day who interpreted the President's statement after it was released?

¹ Bulletin of Sept. 22, 1958, p. 445.

decision. There was, if the statement is correct that you quote from—there have been views expressed by the Joint Chiefs of Staff. But, under the joint resolution, it is not the Joint Chiefs of Staff who have the authority to take a final decision; it is the President.

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 $^{^2\,\}rm H.$ J. Res. 159, 84th Cong., 1st sess.; for text, see ibid., Feb. 7, 1955, p. 213.

A. I had what was supposed to be, under the rules that were laid down when I had the meeting, a background conference there. I realize now that you cannot always have a "background" conference with compliance with the rules.

Q. So you were the official, sir?

A. I was.

Q. Thank you, sir.

Meeting of Latin American Foreign Ministers

Q. Mr. Secretary, you invited the 20 Latin American foreign ministers to meet here on September 23 and 24. Can you tell us what you hope will come out of that conference, what you hope it will achieve?

A. I think the conference will probably deal with several matters that are related to the closer cooperation of the American Republies in terms, perhaps, of more significant and frequent meetings of the foreign ministers, in terms of the operation which has been initiated by President Kubitschek and called "Operation Pan-America," and in terms of the decision by the United States to be willing to cooperate with a regional financial institution for the Americas.³ I imagine all of these matters and perhaps others will be discussed. The meeting is informal, no fixed agenda, no desire to reach any formal decisions. It is a further step in our constant efforts to bring about closer cooperation.

Q. Mr. Secretary, yesterday the Democrats in the State of Maine registered what is being called their biggest political victory in that State in nearly 50 years. One of the points that Governor Muskie, the successful candidate for the Senate, used in his campaign was an attack on the administration's foreign policy. What is your comment on that situation? Do you think that this is a rebuke, a repudiation by the people of the State of Maine of your foreign policy?

A. I would doubt it very much, because our foreign policy in all its essential aspects has been and will be bipartisan. I would be greatly sur-

prised if that were the correct interpretation of the election.

Q. Mr. Secretary, in that connection, would you say that you have had bipartisan support for the reported decision of the United States to defend Quemoy and Matsu in the case of an invasion attempt? I ask this question in the light of the remarks of former Secretary Acheson over the weekend.

A. Well, of course, we are acting here under authority which was conferred by a joint resolution, adopted under circumstances very parallel to those that exist today. There were in opposition to that resolution only 6 votes, 3 in the House and 3 in the Senate. That indicates, I think, great unanimity and great bipartisanship.

Q. Mr. Secretary, do you have any comment on Mr. Acheson's statement, particularly that part of it in which he said that the United States is drifting into war with China without friends and allies and has lost control of the China situation, at the mercies of both the Nationalists and the Communists as to whether or not we get involved or whether we have to back down?

A. No; I have no comment on that.

Chinese Nationalist Military Buildup on Quemoy and Matsu

Q. Mr. Secretary, after the passage of the Formosa resolution, did this country do anything to encourage the Chinese Nationalists to build up their forces on the Quemoys in a formal or an informal way?

A. I think not. My distinct impression is that the decision to build up the defensive strength on Quemoy and Matsu was taken by the Chinese Nationalist Republic—the Republic of China—and that that was not urged or encouraged by the United States.

Q. Mr. Secretary, does this then mean that the Chinese Nationalist Government violated the intent of the exchange of notes between yourself and Foreign Minister Yeh? 4

A. Not at all.

Q. It provides that there will be no significant depletion of the defensive strength on Formosa

⁸ For a statement by Under Secretary Dillon on an inter-American regional development institution, see *ibid.*, Sept. 1, 1958, p. 347.

For text, see ibid., Jan. 24, 1955, p. 152.

and the Pescadores of the forces which jointly support it.

A. There was no violation there. It is one thing to say did we encourage it or promote it, and it is another thing to say did we oppose it. After all, the Republic of China is a sovereign Government. It is not a puppet of ours. It has a normal right to take decisions of its own. It is one thing to say, as I did, that we did not promote or encourage this thing. It is a different thing again to say that we did not actively oppose it.

Q. Mr. Secretary, do you think it was wise to have stood by while the buildup occurred on these islands?

A. Yes; I think it was.

Q. In what respect?

A. That the attempt by the United States to impose its will in that respect upon the Republic of China would have had very unfortunate consequences. It would have weakened the defensive posture of the United States in the entire area. I must emphasize that this situation in that part of the world is not an isolated situation. You cannot isolate it and say that the only problem involved here is Quemoy and Matsu. What is involved, and what is under threat, is the entire position of the United States and that of its freeworld allies in the Western Pacific, extending from Japan, Korea, Okinawa, Formosa, the Philippines, on down to Southeast Asia. That is what is under attack. That is of vital interest to the United States. And we have to conduct ourselves in relation to that situation, not as though little bits of it could be segregated and treated as isolated problems to be dealt with entirely on their own. We have to maintain good will and good relations and the morale of the governments that are our friends and allies in that part of the world. Those factors have to be taken into account and not purely military dispositions.

Question of Revising Security Treaty With Japan

Q. Mr. Secretary, in view of the Formosa situation, do you think it is advisable or necessary to revise our security treaty with Japan? I believe that you are going to discuss this with Foreign Minister Fujiyama this weekend or in the next few days.

A. Well, we look forward very much to these discussions with Foreign Minister Fujiyama, who will be here tomorrow. We will discuss in a sympathetic and cooperative way any problems that he wants to lay before us, and those problems may include some discussion of this treaty. I do not think that the discussion of the security treaty with Japan is in any immediate sense related to the problem of Taiwan. It relates to the generally changed situation as a result of the fact that Japan is now in a somewhat different position from what it was when the original security treaty was made in the sense that at that time it had no security forces of its own.

Q. Mr. Secretary, in that connection, when you were writing the Japanese peace treaty in 1951, it was your premise that the Japanese trade imbalance, the dollar gap, could be met by American aid and military spending pending developments through forces in China which would release South China from the Communist yoke, and this was reflected in your 1952 foreign-policy plank espousing liberation instead of containment. Is the present policy in the Formosa Straits predicated on the expectation that the area of China south of the Yangtze should break away from the Peking Communist rule in the not-too-distant future?

A. My views in that respect are most recently set forth, I think, in the speech which I made in San Francisco about a year ago. We do not consider that the Chinese Communists' hold upon the mainland is to be accepted as a permanent fact of life and one of these inevitable things which we all have to accept and give way to. If there is any one thing in the world that is inevitable, it is that human beings want for themselves a degree of personal freedom and liberty which is denied by communism. So I believe that it is inevitable, sooner or later, that that desire for personal freedom will manifest itself. Therefore we do not accept the type of Communist rule that now prevails as a permanent situation anywhere in the world.

Significance of 3-Mile Limit

Q. Mr. Secretary, the U.S. warships in the Formosa Straits are convoying the Nationalist

⁵ Ibid., July 15, 1957, p. 91.

ships to within 3 miles of Quemoy. Can you tell us, sir, what the significance of this 3-mile limit is? Is it the Nationalist Chinese limit or the Red China limit?

A. That decision was taken while I was away, and I was not a participant in the discussions which led up to it. My understanding is that there were two elements that were involved in the decision. One was that to conduct what might appear to be combat activities within the 3-mile limit around Matsu and Quemoy might involve a decision, or require a decision, under the joint resolution. The other was that as a practical matter, I believe, our ships can operate on that basis without any material risk of coming under the fire of the shore batteries.

Q. Sir, on the point about whose 3-mile limit it is, then, you are not paying any attention, I gather, to the territorial claims of the Red Chinese or even to the use of a limit around Quemoy and Matsu.

A. No, the 3-mile limit referred to is the 3-mile limit which represents the territorial waters of the Republic of China around Quemoy and Matsu. We do not accept from the Chinese Communists or anybody else, for that matter, the extension of territorial waters to 12 miles. That is what you might call a "grab." It cannot be effected unilaterally by any nation any more than it can grab territory.

Ambassadorial Talks With Chinese Communists

Q. Mr. Secretary, is the United States doing anything now to try to get the ambassadorial talks going with Red China in Warsaw? Both sides have agreed?

A. Yes, we communicated at 10 o'clock this morning, Warsaw time, a message to the Communist Ambassador, Mr. Wang, who has conducted these talks in the past, the notice that we were prepared to carry forward the talks in line with the suggestion made by Mr. Chou En-lai and which was welcomed by the White House statement of Saturday.

Q. Mr. Secretary, what do you expect to come of these talks? What do you hope will come out of them?

A. We hope that out of the talks will come, as a minimum, a modus vivendi which will assure that the issues there will not be resolved by recourse to force. If the issues themselves could be resolved, that would be a very good result, but that perhaps is too much to hope. I do not think it is too much to hope that there can be a modus vivendi or a "cease-fire" agreement reached which would assure that issues would not be resolved by violent, aggressive action which would risk world war.

Q. Mr. Secretary, did we name a date on which we would like to see the talks begin?

A. We said that we stood ready to resume the talks at any time.

Q. Mr. Secretary, would that cease-fire modus vivendi require the renunciation of force that we requested for so many meetings and which the Chinese did not agree to?

A. It might be along those lines, or it might be perhaps along more detailed or specific lines and not quite so much in terms of generalities. But we do not have any particular position in that matter which I want to discuss here, even before we know what the position of the Chinese Communists is. You will recall that it was they who suggested the resumption of these talks.

U.S. Considers "Civil War" Aspect Unrealistic

Q. The reason I asked, sir, is that the Chinese Communists and the Nationalists both take the position that this is a civil war, and I would like to know what our position is on that. Do we consider this whole affair a civil war among the Chinese?

A. We consider that, although there are elements of a civil war, there are also international aspects of the situation. You may recall that, at the time of the Korean war, it was the position of the Soviet Union that that was purely a civil war between two factions of the Koreans that were fighting each other and, therefore, the United Nations had no right to intervene, the United States had no right to intervene, and the United Nations and the United States by intervening were "aggressors." That was their position in regard to Korea—the same position that they take here. We do not accept that view. We did not accept it as regards Korea; we did not

⁶ Ibid., Sept. 22, 1958, p. 446.

accept it as regards the situation that exists around Taiwan. Indeed, it would be utterly unrealistic to accept that view because, whatever the theory of it may be, everybody knows that there are in this situation elements which could lead to an international war. Therefore, to treat this as purely an internal civil strife is quite unrealistic and is just as unacceptable to the United States as the similar position was unacceptable at the time of the Korean war.

Q. Mr. Secretary, does that indicate any intention to take this matter before the Security Council?

A. Well, you may recall that an effort was made to take it to the Security Council in 1955 and the Chinese Communists refused to respond to an invitation from the Security Council on the ground that it was a purely internal matter and debarred from consideration under provisions of article 2 (7) of the charter, which says that matters that are essentially of domestic jurisdiction should not be considered by the Security Council. All they have said in recent days indicates that they would adhere to that position. That does not mean that efforts may not be made, and usefully made, in the United Nations to deal with what is obviously, I think, a threat to the peace. Just as in Korea the United Nations dealt with it despite the argument that it was a purely domestic matter, it may usefully be dealt with again. But, as I say, the Chinese Communists, at least, have taken the position consistently, and adhered to the position, that they would not admit the right of the United Nations to deal with the problem.

Q. Mr. Secretary, could it be dealt with in the General Assembly beginning next week, or would it have to go first to the Security Council?

A. That would depend, I think, upon the form that the action took. If it was not pending before the Security Council as a threat to peace, then I think there would be no reason why it could not at least be discussed in the General Assembly.

Q. Mr. Secretary, do you have any assurance, sir, that the other allies, other than Nationalist China, would support you in the event that you got involved in a war with Communist China in the Formosa Straits?

A. Well, we have not either sought or obtained any such assurances because I do not believe that there will be a war if we stand firm and united on this proposition. I would say this: that I find very general agreement among not only our allies but among so-called neutralists to the proposition that, whatever may be the merits of this case, it ought not to be resolved by recourse to force. They believe that the effort of the Chinese Communists to take by force what they regard as their territory, but which has never been in their possession, is an offense and that whatever, as I say, the substantive merits may be, that ought not to be tolerated.

Q. Mr. Secretary, would you comment on the statement which Mr. Khrushchev handed to President Eisenhower yesterday?

A. A comment has already been issued from Newport⁸ about that statement which is perhaps all that should be said at the present time, unless there is some specific aspect of the rather rambling letter to which you wanted to direct my attention.

Q. Mr. Secretary, thus far the Chinese Communists in attacking the Quemoy area confined themselves to shelling. They have built up substantial air strength along the coastal airfields there. Could you tell us what reaction could be expected if a Chinese bomber were to bomb the Nationalist positions on Quemoy? My question is, would we, under our understanding with the Chinese Nationalists, feel that a Chinese Nationalist air attack against the airfield from which this plane took off would be justified?

A. I doubt that it is wise for me to answer that question. It is quite obvious we have given that problem consideration, but I don't think it is in the national interest to give here an explicit reply to that question.

Q. Mr. Secretary, do you think Nasser's support of Red China is an indication of increasing sympathy by the United Arab Republic for Communist causes?

A. It is difficult to interpret the mood or the reasoning that lies behind such a position. We do know, of course, that the United Arab Republic has obtained a good deal of support, particularly support in terms of military equipment, from the

⁷ For background, see *ibid.*, Feb. 14, 1955, p. 251.

⁸ See p. 499.

Sino-Soviet bloc and probably expects to get more. That may be an explanation of the position.

U.S. Position on Defending the Offshore Islands

Q. Mr. Secretary, your big argument for the Formosa resolution 2 years ago was that past wars had been caused by the failure of great powers to make absolutely clear where they would fight. In the light of that would you explain to us why you think it is still wise not to make our intentions crystal clear about the offshore islands and to continue the guessing game?

A. The position which I took, I think, at the time of the resolution and, indeed, the terms of the resolution itself make perfectly clear that the United States is to defend Taiwan and the Penghus. It also makes clear that it was the wish of the Congress that, if the President found that related areas should be defended as part of that effort, then he should defend them. Now in the nature of the case the President cannot, under the terms of the resolution, and, indeed, under the terms of our treaty, make an absolute decision in that respect. You may recall that the treaty that we have covers only Taiwan (Formosa) and the Penghus (the Pescadores). At the time of the ratification of that treaty we pointed out that, if further area was to be brought under that treaty, we would go back to Congress—the Senate—and ask for an amendment of the treaty. Therefore, it is quite clear, and, I think, had been made clear from the beginning of this affair, that the offshore islands are not to be defended as such by the United States. If they are involved in what is in effect an attack upon areas which we are bound to defend, namely, Taiwan and the Penghus, then we will meet that attack at that point. But we cannot just say, through Presidential action, that we will defend, come what may, under any and all circumstances, an area which is beyond that to which we are committed by the treaty. This can be done only if there is an actual relationship between the two at the time in question. I think that was made very clear at the time of the adoption of the resolution. I made it clear in many press conferences back in 1955, and it is the same situation today as it was at that time.

Q. Mr. Secretary, in view of the fact that the Chinese Communists' radio, in talking about Quemoy and Formosa, makes no distinction separating Quemoy from the eventual plan to liberate Formosa, if there were to be an attack, say today, would you think that everything added up to a decision to go ahead and help defend Quemoy on the grounds that it is essential to the defense of Formosa?

A. I think you can guess the answer to that if you read the statement of September 4. I don't want to add to or subtract from that statement, but I think it is pretty clear in that respect. The statement pointed out the reasons why the President could not now make a decision. It implied that, if those reasons no longer existed, then he would not hesitate to make the decision. But there could be changes in the situation, and I don't want to read into that statement more than is there, because I think there is plenty there.

Alerting the Congress and the Public to the Danger

Q. Mr. Secretary, on two occasions this morning you referred to the possibility of war with China. In the light of that, is there not an obligation to consult with the Congress in some way or another, and is there not an obligation to tell the people of this country just what the possibilities and dangers of bombardment are here in response to Mr. [John] Scali's [of the Associated Press] question?

A. Let me say that efforts have been made, very considerable efforts have been made, to make contact with congressional leaders. It's not easy to do that at the present time when they are scattered about the country. But through telephone, where possible through private talks, and through written communications there have been contacts made with the congressional leaders.

As far as the country is concerned, it seems to me that the country is pretty well alerted to the danger, as I judge by reading the headlines of the newspapers and listening in on the radio. Of course the vital point is—I think it is understood, though perhaps it should be made more understood—what is at stake there is not just two pieces of real estate, Quemoy and Matsu. Obviously, if that was all that was involved, there would be no basis for action on the part of the United States. What's involved there is the whole position, as I pointed out earlier, of the free world in the Western Pacific; and the vital interests of the United States are involved.

Now, there are always some people who argue that, if you fall back from an advanced position, then you are in a stronger position to hold the rest. But also it may be that, if you fall back from advanced positions and indicate to an aggressor that you have no will to stand, your position becomes weaker, your allies lose confidence in you. That situation, I think, has been portrayed. There is, I believe, realization—and I think during the coming days there will be increasing realization—of the fact that what's at stake there are the vital interests of the United States as well as the basic principle upon which world order is founded, which is that violence, force, shall not be used to acquire additional territory.

Now, if we recede in that respect, I firmly believe that the United States is in much increased danger, that our allies will be much less dependable or feel that we are not dependable, and that there will have been a grave damage done to the security interests of the United States and to world order.

Q. Mr. Secretary, on that very point, the Wall Street Journal yesterday carried a very long lead article reporting that many Americans were either confused by, or opposed to, your Formosan policy, or both. How important is the reaction of the public on one side or another to the implementation of the policy that this Government is now pursuing, and what ingredients in public opinion might you accept as having an influence on that policy?

A. I, of course, recognize that it is essential that a policy which involves taking grave decisions of this kind should, so far as practical, have the support of the American people. But also I am aware of the fact that the elements which go into making final decisions are so delicate, oftentimes not subject to public appraisal, that there lies a responsibility upon the President and his principal advisers which cannot be shared with the general public.

Now, this matter has been studied very intensively over many years because this situation today is almost an exact replica of the situation that existed about 4 years ago. It's basically nothing new. The elements of the problem have been weighed. Of course there may be some new factors that have come into it in certain respects. The attitude

of the Chinese Communists may have changed somewhat. The attitude of the Soviet Union may have changed somewhat. Constant reappraisals are necessary in that respect. But many of the elements of this situation, that go to make up the decision, are extremely delicate and difficult. I think that there is no difference of opinion at all among the principal advisers of the President, both political and military, as to the essential elements of the equation or as to what, given certain circumstances, the response ought to be.

Q. Mr. Secretary, if the elements are essentially the same now as they were 4 years ago, why was it that the surrender or the evacuation of the Tachen Islands in 1955 did not also represent a serious threat to our position in the Western Pacific?

A. Because it could have been done, and was done, under circumstances which in fact did not involve that threat. The facts speak for themselves, that our analysis of that situation was correct. I believe our analysis of this situation is also correct.

Q. Mr. Secretary, you said before that it was not necessary to have consultations with our allies on the possibility of war breaking out in the Formosa area, and later you said you nevertheless regarded that a united stand was essential for the success of our policy. I was wondering how can we achieve this united stand without thorough consultation with the allies?

A. I think that, where I spoke about the "united" stand, that was directed primarily to the internal domestic situation, not to the international situation.

Q. No, sir, the question dealt with the international situation.

A. Well, I then was misunderstood. I do not believe that we should seek to require that all of our allies should agree with everything we do in an area of the world where we have the primary responsibility. I believe that it is desirable that they should do so. I believe that, as they increasingly understand the situation, they will do so. But there cannot be an adequate discharge of our responsibilities if, in an area like this, where we have the treaty obligations, where we have the force, where others do not, that we just say we will

not do anything unless all of some 45 allies agree with us. That would not be a position which would admit of effective, responsible action.

Q. Mr. Secretary, how is the Little Rock and Virginia integration story affecting United States prestige abroad?

A. Well, I think that incidents like that are never conducive to one's prestige abroad.

Q. Mr. Secretary, in past instances, where there were threats to the peace, such as in Korea, the Middle East, and Hungary, we did not hesitate going to the United Nations. In this instance why don't we rush to the U.N. to take this Formosa Straits case before one of the bodies?

A. Well, the principal reason, I think, why we do not "rush" to the United Nations is, first, that the Chinese Communists have put us on notice of the fact that they will not accept the jurisdiction of the United Nations; secondly, the Chinese Communists have proposed another method of dealing with this matter, namely, ambassadorial talks. Now, if there are two methods you have to choose from, one of which they reject in advance, the other of which they propose, it seems to me more sensible to take the one that they propose.

Possibility of Negotiating With Communists

Q. Mr. Secretary, one urgent question. If the Red Chinese renounce the use of force, are you prepared to negotiate the future of the offshore islands, that is Quemoy and Matsu?

A. Well, the United States is not in a position to negotiate the future of property which it does not own and which belongs to another and friendly government. All I can say is that, if there were an effective, dependable renunciation of force, it would be certainly a very constructive new element in the situation which might have further consequences.

Q. What can be negotiated then, Mr. Secretary? What can be negotiated if force is given up, in your opinion?

A. Well, there is quite a lot to negotiate. But I don't think it's desirable that I should try to express here all that we have in mind for possible

negotiations with the Chinese Communists. They have not exposed their hand as yet.

Q. Mr. Secretary, is it a fair understanding of what you have been saying that you and the President regard the threat of aggression in Quemoy and Matsu equal to the threat to the Western World as in the case of Korea and that there, as we were prepared to resist aggression, we are again prepared to resist aggression?

A. I think the two situations are comparable. Perhaps Berlin also is another example of a forward position which it was judged could not be lost in the face of a frontal attack without consequences which were unacceptable to the United States and, I think, to the free world.

Q. Mr. Secretary, is it a fair interpretation of what you have been saying about the potential negotiations with the Chinese that we are changing our position or were willing to change our position to a considerable degree, that is to move from the only two points which we sought to negotiate before, the release of the Americans and the renunciation of force? You imply that we have a number of papers in our bag which you don't want to disclose in advance. What I'm trying to get at is, are they matters of substance that you are prepared to give us?

A. The things I am talking about are matters which relate to the use of force or the disuse of force in the Taiwan Straits area. But I think the matter can perhaps be dealt with in a more specific way rather than in abstract generalities and that it might not be useful to repeat the ritual of the last 3 years.

Q. Mr. Secretary, in connection with the future of Quemoy and Matsu and the question asked earlier, if the Red Chinese were prepared to renounce the use of force in the Taiwan Straits, would the United States then be prepared to recommend to the Nationalist Chinese that they evacuate Quemoy and Matsu?

A. I don't want to go any further than what I have said, namely, that, if there were a meaningful renunciation of force in the Taiwan Straits area, that would alter the situation in a great many respects and probably have consequences. But I don't want to attempt to say precisely what those consequences would be because they involve the rights and interests of an ally.

Q. Mr. Secretary, the Finance Minister of India saw you yesterday. In that connection is the United States willing to help India meet its foreign-exchange gap over the next 2½ years?

A. The United States is willing now, as in the past, to help in that respect. We are not willing to assume the burden entirely ourselves. It should be and will be, I think, a cooperative effort. But I believe that, through the combined efforts of many countries, this new crisis will be tided over.

Q. Mr. Secretary, on a factual point—did we ever convoy Nationalist ships before this time?

A. I recall that we convoyed the Chinese Nationalists for a period during the height of the activities incurred in the late fall of 1954.

Q. I'm still troubled about this point of the obligation of the Government to the people on this question of convoying into an area of lively shelling. Is it your position that we have no obligation to explain that, that the Executive can take that responsibility on its own without explaining?

A. Well, I thought I was doing a little explaining here today. If not, I have failed in my purpose.

Q. Mr. Secretary, we have barely mentioned the Middle East. Has the situation in Lebanon progressed in our view to a point to indicate a withdrawal of United States troops?

A. I don't think that the developments, as yet, indicate a total withdrawal at any date which we could now fix. The situation does seem to be improving. There could be some retraction, reduction of forces there, I believe. But I think it would be premature to announce, I know it would be premature to announce, any definitive plans for total withdrawal.

 $Q.\ Thank\ you, Mr.\ Secretary.$

Mr. Bullis To Be Chairman of IDAB

The White House on August 28 announced the recess appointment by the President of Harry A. Bullis to be chairman of the International Development Advisory Board.

President Opens U.S. Exhibit on Peaceful Uses of Atomic Energy

Following is the text of remarks recorded by President Eisenhower and relayed by radio to Geneva on September 1 on the occasion of the opening of the U.S. exhibit at the Second International Conference on the Peaceful Uses of Atomic Energy.

White House (Newport, R.I.) press release dated August 31

It gives me real pleasure to participate in this transatlantic opening of the United States exhibit. This display is further tangible evidence of the determination of my country to advance the peaceful uses of atomic energy for the benefit of mankind.

At the first United Nations Conference on the Peaceful Uses of Atomic Energy in 1955, we charted some of the paths along which we believed this new science would advance. I recall a visit to that exhibition a few days before its formal opening, and I shared with you the hopes in the great promise which science offered and continues to offer. We have made great strides since the summer of 1955.

Now, 3 years later, we will see here in graphic demonstration for scientists and laymen alike examples of some of the ways in which the atom is already being made to serve humanity. A few weeks ago I was shown a scale model of our exhibit, and I know that the demonstrations will be both impressive and informative.

Also, I find it gratifying that so many nations are joining in this Conference and exhibition. A number of them will also have remarkable exhibits. I wish it were possible for me to see them all.

There should be a fruitful exchange of views on the new scientific advances. My country, which initiated the project of this scientific conference, will continue to share its resources and knowledge with other countries to the end that the fullest benefits of nuclear energy may be enjoyed by all.

Surely all nations, all technically trained people, the United Nations organization itself, and all who participate in this Conference will continue to press forward to transform this great natural force from an instrument of destruction to a power for good in our own day and for our children to come after us.

I now formally open the United States exhibit.

International Politics and the Preservation of Peace

by Under Sccretary Herter 1

I regard it as a high honor to have been invited to share in your deliberations today. I have a close feeling of kinship with those who are professionally engaged in studying and in many cases practicing the art and science of politics for, as many of you know, I have had some years of service in this field.

We live in times which sorely tax the capacities of any political scientist, whether primarily concerned with domestic affairs or the international scene.

Circumstances change day by day and almost hour by hour, but our goals over the years have remained relatively constant.

If the fundamental policies of the United States with regard to other nations could be summed up in a single word, that word would be "freedom." Judge John Bassett Moore, in the very first pages of his classic work, *The Principles of American Diplomacy*, makes the following memorable statement:

Many nations have come and gone, and have left little impress upon the life of humanlty. The Declaration of American Independence, however, hore upon its face the marks of distinction and presaged the development of a theory and a policy which must be worked out in opposition to the ideas that then dominated the civilized world. Of this theory and policy the keynote was freedom; freedom of the individual, in order that he might work out his destiny in his own way; freedom in government, in order that the human faculties might have free course; freedom in commerce, in order that the resources of the earth might be developed and rendered fruitful in the increase of human wealth, contentment, and happiness.

That statement is as sound today as when it was originally written in 1918.

Since those words were written, both the League of Nations and more recently the United Nations have epitomized the efforts of mankind to give institutional form to the protection of the right to freedom of individual nations. Today the United Nations represents the single best hope for the smaller nations of the world, but even in its own charter it has recognized that regional collective-defense agreements can be of value and that the right of self-defense is still an inherent right of every nation.

Near East Situation

Very recently the United States responded directly when the Government of Lebanon appealed for help ² in the face of the threat to the independence and integrity of Lebanon aided and abetted from outside its borders and aggravated by the events in Iraq and Jordan. The urgency of the situation made it necessary to respond in this way rather than through the United Nations. Nevertheless, the United States immediately went to the United Nations and sought in the Security Council to find some international solution to the Lebanese problem that would make it unnecessary for United States troops to remain in Lebanon.³ As Ambassador Lodge made plain in the Security Council:

... we are the first to admit that the dispatch of United States forces to Lebanon is not an Ideal way to solve present problems, and they will be withdrawn as soon as the United Nations can take over.

You know of the efforts made by the United States and by other members of the United Na-

¹ Address made before the annual meeting of the American Political Science Association at St. Louis, Mo., on Sept. 5 (press release 510 dated Sept. 4.)

² Bulletin of Ang. 4, 1958, p. 181.

³ For background, see ibid., p. 186.

tions to seek a way to bring this about. And you know how the Soviet Union blocked these efforts through its use of the veto in the Security Council.

It was in these circumstances that the matter was taken to the General Assembly where President Eisenhower presented his six-point plan for peace in the Near East.⁴ In the words of the President, this plan

. . . would provide a setting of political order responsive to the rights of the people in each nation; which would avoid the dangers of a regional arms race; which would permit the peoples of the Near East to devote their energies wholeheartedly to the tasks of development and human progress in the widest sense.

The President's speech before the third emergency special session of the General Assembly shows how a member nation in an international organization can suggest a positive and constructive course to the other members in a situation that causes concern to all without encroaching in the slightest way on the freedom of each member to act in the way it considers to be in its best interests. The President's speech is an example of statesmanship of the highest order.

Much of the President's program was reflected in the Arab-sponsored resolution that was unanimously adopted by the General Assembly on August 21.⁵ However, the importance of that resolution lay principally in the fact that the countries involved directly in the controversy had themselves agreed on a formula for solution.

Now, it may be asked, in such a situation as that in Lebanon and Jordan why should the United States work through the United Nations? Why not choose the direct, simple way, unfettered by the complexities of multilateral diplomacy? The answer is simple. The day is gone when any great power, or even a group of great powers, for that matter, can take matters in its own hands to "solve" an international situation affecting others.

Prime Minister Nehru, in his recently published analysis of the world today, put it this way:

We have arrived at a stage in the modern world when an attempt at forcible imposition of ideas on any large section of people is bound ultimately to fail. In present circumstances this will lead to war and tremendous destruction. There will be no victory—only defeat for everyone. The world is a growing community of sovereign nations, and each has a responsibility for the peaceful solution of international problems wherever they may occur. The Near East problem is as much, perhaps more, a matter of concern to the small states as it is to the large powers. Small countries, such as Lebanon and Jordan, will remain free and independent only through collective action. As was shown during the recent session of the General Assembly, statesmanship and leadership are by no means the monopoly of the few; they are, fortunately, shared by many.

Conflict in the Far East

Of a very different type from the Middle Eastern situation is the conflict now current in the Far East. Here, in effect, is an attack by Communist China, the rulers of which have not qualified for membership in the United Nations and who have been recognized only by 19 of the 64 nations of the free world. The Communist Chinese, for reasons still obscure, have resorted to force in an action which both they and Moscow allege to be for the liberation of Taiwan and the offshore islands. It is they themselves who indicate that the bombardment of Quemov is only an incident to the larger purpose, knowing full well that we have a solemn treaty engagement to protect Taiwan against attack. It is significant to note that, in 54 of the 73 conversations held over the last few years in Geneva between Ambassador [U. Alexis] Johnson of the United States and Ambassador Wang of Communist China, we attempted to persuade the Chinese Communists to renounce the use of force in the Taiwan area. Despite our persistent efforts they refused to agree and continued to proclaim their intention to seize Taiwan and the offshore islands, using force if necessary.

It is in this area of the Far East that eight nations have achieved their independence since the end of World War II. They and their neighbors are in a stage of momentous transition. Each is determined to guard its new-found freedom. All are waging vigorous campaigns against the inherited scourges of poverty and illiteracy and otherwise are seeking improved conditions of life. All are striving to develop the means of sharing the higher living standards modern science and technology have made available to the world.

The Far Eastern branch of international com-

^{&#}x27;Ibid., Sept. 1, 1958, p. 337.

⁵ For text, see *ibid.*, Sept. 15, 1958, p. 409.

munism, centered in the Chinese Communists, had significant success until 1954 in its drive to add Asian countries to its subjugated domain. Though they failed to get all of Korea because of prompt United Nations action inspired by the United States, or all of Indochina by reason of the Geneva accord of 1954, they nevertheless consolidated their power on the mainland of China and thus won a powerful base from which to threaten the other Asian nations.

Their military drive to extend their domain has been supplanted in the last 4 years by political, economic, and infiltration efforts. And these are both important and dangerous, while by nature less spectacular.

Free Asian nations are well aware of the threat posed by these new tactics. The new nations realize that the conspiracy seeks to engulf them while they are still young and relatively weak. Thus they are under great pressure to show evidence of rapid economic progress in a free environment as a psychological deterrent to the Communists' claim that their way is the fastest and surest path to an advanced status.

This sense of urgency is everywhere apparent in the Far East. It reinforces the natural drive of the new-found energies of peoples just emerged from colonial status. It is one of the considerations in formulating our own policies toward the Far East.

Our policy there basically has two parts. First, we are determined to deter, and where necessary to repel, Communist military expansion and infiltration by maintaining an adequately strong free-world military posture. The second part of our policy is to assist the Far Eastern free nations to achieve internal security and political stability and to promote improved conditions of life for their people. We have joined with them, in our mutual interest, to help create a framework in which free peoples can develop sound economies in a peaceful atmosphere.

Though the Communist emphasis in recent months has been more upon subversion and penetration through economic, political, and psychological channels, force has been their principal instrument of expansion in Asia. Therefore, their present resort to force must be looked at not alone in the light of Taiwan and the offshore islands but also in the real possibility of its extension to

these new nations of Southeast Asia as well as Korea,

Nor can we have any illusions that the actions of the Chinese Communists are in any way divorced from those of the Russian Communists. They are both dedicated to world domination, and both are linked by the principles of Lenin to which they give devotion and blind allegiance. Mao Tse-tung and his lieutenants were trained in the classical methods devised years ago for world revolution. Mao asserts he looks to Moscow for leadership, and Liu Shao-chi's Chinese Communist textbook proclaims that all Communists have a duty to "transform the world into a Communist world."

The military attack now being perpetrated by the Chinese Communists in the Straits of Taiwan is a direct concern, as I have pointed out, to the free nations of the Asian mainland. However, it is also a great concern to the people of the Philippines. It was from us that they gained independent status and joined the group of newly free Asian nations after World War II. They won a bitter fight in their first years against the Communist-directed Hukbalahap attempt at infiltration; and, while the Philippine Government is now one of the strong elements in the SEATO defensive alliance, it could not help but be seriously affected by new Communist successes on the mainland.

Communist Goals and Methods

It is well known that the international Communists desire tensions. They thrive on trouble. To stir new anxieties in respect to the Taiwan Straits, therefore, is entirely in keeping with their methods.

They may very well feel that mankind is weary of the "China problem" and, in the notion the world has forgotten their armed attack upon the forces of the United Nations, are now using artillery barrages as a means of smashing their way once again into the limelight. They desire to be regarded as important and powerful.

The situation should confuse no one. It really is crystal clear.

The world's Communists have one goal: world domination.

The Chinese Communists have one goal: to dominate and control their Far Eastern neighbors.

The Communists' method: subjugation of free nations, one by one.

Their strategy: confuse, divide, and ultimately control those nations that employ the democratic process of discussion, disagreement, and compromise.

Their tactics: whatever is likely to be the most successful at the moment.

At this moment, perhaps, they think they can post threats to which we will not react; they think they can find a weak spot in the Taiwan Straits. In this they are likely to be greatly mistaken.

They are also greatly mistaken if they think the free world has lost sight of their ultimate goal and has come to confuse tactics with objectives.

Accomplishments of Free Nations

Happily, we can with good reason and without undue complacency point to some very real accomplishments of free nations. The nations of Western Europe have in the past 13 years given the lie to the Spenglerian thesis. The first phase of their postwar effort saw a phenomenal economic recovery, in which the yeast of dollar assistance was multiplied again and again to the point where these nations now invest more in their own defense each year than the entire \$13 billion we contributed over the 5-year span of the so-called Marshall plan. Today these nations are in their turn beginning to share with us in extending economic assistance to the underdeveloped areas of the world.

Almost simultaneously the people of Western Europe achieved the second phase of their recovery, an increased political stability, which has not only produced responsible and responsive governments but has steadily diminished the influence and subversive threat of indigenous Communist parties.

Not content with their success in achieving internal solvency and stability, Western European statesmen have had the courage and vision to break down many of the artificial barriers which for centuries kept them from realizing the full potential of this vast, rich area. Their cooperation was born in the dire realities of economic stagnation but has since moved with a sure and steady pace into collective defense and thence into nearly every important sphere of economic, social, and cultural life. Thus, the success of the Coal and Steel Community was largely responsible for the idea of the Common Market, now in the process of being estab-

lished. Already this commendable concept, which we have supported from the outset, is being enlarged to the bolder and more comprehensive scheme of the Free Market. Most recently our Congress approved legislation and the appropriation of funds to assist six Western European nations in the operations of EURATOM, looking toward the development of the peaceful uses of nuclear energy.

While this is an optimistic note, it does not for a moment suggest that all the problems of Europe are on their way to solution. I could expand on divided Germany or on the status of the satellites.

I could indulge in speculation with respect to present and potential problems in many quarters of the globe.

To do this, however, would merely begin a recitation of the difficulties daily encountered in the conduct of foreign affairs, difficulties which we would be only too glad to be free of but which have been thrust upon us because of our great material growth and strength and because of our dedication to that ideal of freedom which John Bassett Moore described so feelingly. It is truly an anomaly that a nation whose only selfish wish is to be left free to pursue its own internal development now finds itself, because of its dedication to an ideal, concerned with problems in almost every corner of the world. From the great talents that are represented in the group here assembled will, I am convinced, come the answers to many of these problems.

Chinese Refugees Gain Asylum in United States

The Department of State announced on September 12 (press release 532) that a group of 81 Chinese refugees would arrive at San Francisco on September 14, thus marking the increased momentum of visa issuance under the special act of September 11, 1957.

This legislation, which reflects wide congressional interest and support, provides for the admission to the United States of 14,556 refugees from the Middle East and countries under Communist domination. To date more than 10,000 of these visas have been allotted. The first was issued last October 1 to the mother of a former

¹ Bulletin of Nov. 25, 1957, p. 845.

north Korean jet pilot who won an award in 1953 by flying a Soviet-made MIG plane to south Korea.

The 81 refugees are terminating a journey which started when they escaped from Communist Chinese oppression. They were selected from applicants registered with Aid Refugee Chinese Intellectuals, a private American voluntary organization, by a committee in Washington on the basis of the degree of hardship and persecution which they suffered, level of education, and contribution they could make to the welfare of the United States.

Included in the group are: Chan Yau Wau, a

distinguished physicist; Miss May Chin, a professor of mathematics who graduated from Indiana University; Herman Chiu, a chemical engineer who studied at the University of Michigan and Massachusetts Institute of Technology; Peter Y. H. Lim, an aeronautical engineer; Chu Nan Sung, a surgeon; Miss June Lim, an educator with a Doctorate of Education from Columbia University; and other highly educated and skilled refugees. Many of these people have lengthy histories of persecution at the hands of the Communists because of their Western orientation and training and have undergone years of hardship as refugees.

President Corrects Soviet Misstatements on Taiwan Situation

Following is an exchange of correspondence between President Eisenhower and Nikita Khrushcher, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics, together with a White House statement on Premier Khrushcher's letter.

THE PRESIDENT TO PREMIER KHRUSHCHEV

White House (Newport, R.I.) press release dated September 13 SEPTEMBER 12, 1958

Dear Mr. Charman: I have your letter of September 7. I agree with you that a dangerous situation exists in the Taiwan area. I do not agree with you as to the source of danger in this situation.

The present state of tension in the Taiwan area was created directly by Chinese Communist action, not by that of the Republic of China or by the United States. The fact is that following a long period of relative calm in that area, the Chinese Communists, without provocation, suddenly initiated a heavy artillery bombardment of Quemoy and began harassing the regular supply of the civilian and military population of the Quemoys. This intense military activity was begun on August 23rd—some three weeks after your visit to

Peiping. The official Peiping radio has repeatedly been announcing that the purpose of these military operations is to take Taiwan (Formosa) as well as Quemoy and Matsu, by armed force. In virtually every Peiping broadcast, Taiwan (Formosa) and the offshore islands are linked as the objective of what is called the "Chinese Peoples Liberation Army".

The issue, then, is whether the Chinese Communists will seek to achieve their ambitions through the application of force, as they did in Korea, or whether they will accept the vital requisite of world peace and order in a nuclear age and renounce the use of force as the means for satisfying their territorial claims. The territory concerned has never been under the control of Communist China. On the contrary, the Republic of China—despite the characterizations you apply to it for ideological reasons—is recognized by the majority of the sovereign nations of the world and its government has been and is exercising jurisdiction over the territory concerned. United States military forces operate in the Taiwan area in fulfillment of treaty commitments to the Republic of China to assist it in the defense of Taiwan (Formosa) and the Penghu (Pescadores) Islands. They are there to help resist aggression—not to commit aggression. No upside down presentation such as contained in your letter can change this fact.

¹ For U.S. statements of Sept. 4 and 6 on the situation in the Taiwan Straits, see Bulletin of Sept. 22, 1958, p. 445.

The United States Government has welcomed the willingness of the Chinese Communists to resume the Ambassadorial talks, which were begun three years ago in Geneva, for the purpose of finding a means of easing tensions in the Taiwan area. In the past, the United States representative at these talks has tried by every reasonable means to persuade the Chinese Communist representative to reach agreement on mutual renunciation of force in the Taiwan area but the latter insistently refused to reach such agreement. The United States hopes that an understanding can be achieved through the renewed talks which will assure that there will be no resort to the use of force in the endeavor to bring about a solution of the issues there.

I regret to say I do not see in your letter any effort to find that common language which could indeed facilitate the removal of the danger existing in the current situation in the Taiwan area. On the contrary, the description of this situation contained in your letter seems designed to serve the ambitions of international Communism rather than to present the facts. I also note that you have addressed no letter to the Chinese Communist leaders urging moderation upon them. If your letter to me is not merely a vehicle for onesided denunciation of United States actions but is indeed intended to reflect a desire to find a common language for peace, I suggest you urge these leaders to discontinue their military operations and to turn to a policy of peaceful settlement of the Taiwan dispute.

If indeed, for the sake of settling the issues that tend to disturb the peace in the Formosa area, the Chinese Communist leaders can be persuaded to place their trust in negotiation and a readiness to practice conciliation, then I assure you the United States will, on its part, strive in that spirit earnestly to the same end.

Sincerely.

DWIGHT D. EISENHOWER

WHITE HOUSE STATEMENT²

President Eisenhower received this morning from the United States Embassy in Moscow the text of a lengthy communication from Chairman Khrushchev. After the President has had an opportunity to study it more fully, he will make such reply as seems appropriate.

The letter deals with the situation which has developed in the area of Taiwan (Formosa) and the Taiwan Straits. Mr. Khrushchev's communication calls this "a dangerous situation." The United States has already recognized the danger and hopes that it will be mitigated by resumption of the ambassadorial talks between the United States and the Chinese Communist regime.

The evident cause of the danger is the unprovoked military action taken by the Chinese Communists who, beginning August 23d, have been subjecting Quemoy to heavy artillery bombardment and harassing the regular supply of Quemoy with its population of some 125,000 persons. This military activity is proclaimed by the official Peiping Radio as being in order to take by armed force Taiwan (Formosa), as well as Quemoy and Matsu.

The President earnestly hopes that the Chinese Communist regime will not again, as in the case of Korea, use armed force to achieve territorial ambitions. That would be to defy the basic principles upon which world order depends.

The United States would welcome the Soviet Government's concerning itself with this aspect of the matter.

PREMIER KHRUSHCHEV TO THE PRESIDENT

Unofficial translation

Mr. President: I am addressing myself to you on a question of great importance which, we are sure, is now occupying the minds of all to whom the cause of peace is dear.

As a result of the policy being carried on by the USA in regard to China, and especially of the actions being undertaken at the present time by American Government in the area of the Chinese island of Taiwan and of the Taiwan Straits, a dangerous situation has arisen in the Far East. Humanity has again been put before the direct threat of the beginning of a military conflagration.

In this responsible moment, the Government of the Soviet Union has decided to turn to the Government of the USA with an appeal to show sense, not to permit steps which could entail irreparable consequences.

You well know, Mr. President, that the Soviet Union stands firmly on the position of the peaceful coexistence of all states, regardless of their social or state structure, and is in favor of not allowing the beginning of military conflicts, in order to assure conditions for a peaceful life

² Read to news correspondents at Newport, R.I., on Sept. 8 by James C. Hagerty, Press Secretary to the President (White House (Newport, R. I.) press release).

for peoples on the whole globe. I think no one will dispute that the principles of peaceful coexistence have already received broad international recognition, and it can be said that for the overwhelming majority of states, they are the basis of their relations with other countries.

Nevertheless, in the postwar years, as a result of the policy of the USA, a deeply abnormal situation has been continuously maintained in the Far East, the cause of which is the aggressive policy of the Government of the USA, a policy of war. The main reason for the tense and, it must be directly said, very very dangerous situation which has arisen is that the USA has seized age-old Chinese territory—the island of Taiwan with the Pescadores Islands—by force, is continuing to occupy these territories, cloaking this occupation with references to its support of the traitor of the Chinese people, Chiang Kaishek, and is also trying to extend its aggression to the offshore Chinese islands.

As the Soviet Government has already stated many times in the organization of the United Nations, as well as in correspondence with the Government of the USA and governments of other powers, the situation is also inadmissible that a great state—The Chinese People's Republic—as a result of the position taken by the Government of the USA, is deprived of the opportunity to participate in the work of the organization of the United Nations, and is not represented in that organization, although it has a legitimate right to this.

You also know as well as I do that the Chinese state is one of the founders of the UN and that by force of that circumstance alone the existing situation is absolutely abnormal and deeply unjust in regard to the Chinese people.

The situation which has now arisen as a result of the actions of the USA in the area of the island of Taiwan and of the Taiwan Straits seriously disturbs the Soviet Government and the people. Indeed, I think, it will not be an exaggeration to say that it disturbs the whole world, every country, regardless of at what distance it is located from the Taiwan area. If you look squarely at the truth, you must acknowledge that the USA is trying to assume the functions of some sort of world gendarme in this area too. We think that for any state, regardless how strong and influential it is, to take such a role on itself is an unworthy affair for a civilized state and quite risky.

The Government of the USA is carrying out military demonstrations trying to prevent the liberation of Taiwan and to keep this Chinese island as its military base, aimed above all against the Chinese People's Republic, and also to hinder the lawful actions of the CPR directed at the liberation of the offshore islands on which Chiang Kai-shekists have ensconced themselves.

In the area of the Taiwan Straits, there is one of the strongest naval units of the American Navy—the Seventh Fleet of the USA. Hasty measures are being taken to strengthen this fleet, and military vessels and aviation are being transferred to the Far East from the USA, the Mediterranean Sea, and other areas. More than that, it has been announced that in the next few days "joint maneuvers" of the naval forces and marines of the USA and Chiang Kai-shek clique will be carried out in the Taiwan area, and that new contingents of American troops

are being transferred to Taiwan on this pretext. The question arises whether such actions in the present situation can be assessed as other than an open provocation. It seems to us that with the most indulgent approach no other evaluation can be given to these actions.

It must be said that, in general, the practice of urgently transferring naval vessels of the USA from one place to another has become a frequent phenomenon recently. In truth, by the direction of movement of the American Naval Fleet one can now judge almost without error to what place will be directed the spearhead of the next blackmail and provocations.

Very recently the world was a witness to similar demonstrations of the American Navy in the Mediterranean Sea when the armed intervention of the USA into Lebanon was carried out and when the Sixth Fleet of the USA held the capital of Lebanon, and indeed that whole country, under the muzzles of its guns. When today attempts are being made to rattle the saber and threaten China, then, it seems to us, one should not forget that China is not small Lebanon which recently fell victim to foreign intervention, which has met universal condemnation at the just concluded special session of the UN General Assembly. The great 600 million Chinese people are powerful and unconquerable not only for their inexhaustible resources, but also for their solidarity in support of the government, and are confidently and firmly moving on the path of the further development and strengthening of their country, the raising of their welfare, at which we, Soviet people, are truly happy and at which all those who wish the Chinese people well cannot but be happy. But I would want to emphasize not only this side of the matter, but also that China is not alone; it has true friends ready to go to its aid at any moment in ease of aggression against China, since the interests of the security of People's China are inseparable from the interests of the security of the Soviet

In connection with the practice of transporting war fleets and air units from one end of the globe to another, for example, the regions of the Near and Middle East, the Far East, Latin America etc. in order to bring pressure to bear here on some, there on other states and to attempt to dictate one's will on them, in general the question arises—isn't it time to finish with such actions which, it goes without saying, can in no way ever be recognized as normal methods in international relations. There arises the legitimate question—ought this not be discussed in the UN and a decision be adopted forbidding powers from employing such movement of its naval and air forces for purposes of blackmail and intimidation and to the effect that these forces would be held within the limits of their national frontiers. At the same time, in connection with the application of this kind of methods in the foreign policy of the USA, I would like to make one more remark. Does it not seem to you, Mr. President, that such transferring of military vessels now in one, now in another direction to a significant degree is now deprived of any sense—at least in the relations of states which have modern types of weapons at their disposal? I do not know what your military advisers tell you but it seems to us it must also not be unknown to them that

the epoch of the flourishing of the power of surface naval fleets is over, has gone into the past. In the century of nuclear and rocket weapons of hitherto unheard of power and speed of action, these once threatening naval vessels are fit, in essence, only for paying courtesy visits, giving salutes, and can still serve as targets for appropriate types of missiles. Perhaps this will wound the self-esteem of people who are closely connected with fleets but what can you do, it is impossible not to reckon with indisputable facts.

Nearly every day political and military leaders of the USA come out with threats addressed to People's China. Such and only such a meaning have the repeated statements of USA Secretary of State Dulles about the activities of the USA in the region of the Taiwan Straits and in particular the statement which he made in your and his name on 4 September. This statement cannot but evoke the most decisive condemnation. It represents an open attempt of erude and unceremonious trampling of the sovereign rights of other states. The Government of the USA having no rights for this permits itself arbitrarily to establish some kind of boundary of its interests and the sphere of operations of its armed forces on the territory of China. Such activities it is impossible to qualify otherwise than as aggressive, which undoubtedty will be condemned by all peoples.

It is impossible to evaluate differently as well the statement of the Government of the USA of 6 September.

The inciting statement of Minister of Defense McEtroy draws special attention to itself in which are contained frank threats addressed to the Chinese People's Republic, and in which attempts are made to justify the aggressive activities of American armed forces in the Far East and in which the Chiang Kai-shek clique is taken under protection. And the commander of American armed forces on Taiwan Vice-Admiral Smoot has let himself go entirely and states the intention of the USA together with the Chiang Kai-shekists to inflict a defeat on Communist China.

Military leaders in the USA try even, with the facit agreement of the American Government, to resort to atomic blackmail in relation to China, acting evidently still on inertia under the impression of the moods governing in Washington in that short period in the course of which the USA had at its disposal a monopoly of the atomic weapons. As is known, even at that time the policy of atomic blackmail did not have and could not have any success. Is it necessary to say that in present conditions when the USA has long not been the possessor of a monopoly in the field of atomic armaments, attempts to intimidate other states by atomic weapons are a completely hopeless business.

I speak about this because, as it seems to me, in the USA there are still people who do not want to part with the policy of threats and atomic blackmail although, it would seem, each day gives no little evidence that such a policy henceforth is doomed to faiture.

One can with full confidence say that threats and blackmail cannot intimidate the Chinese people. This clearly follows also from the statement of the Premier of the State Council of the CPR Chou En-Lai of 6 September. The Chinese people wants peace and defends peace but it does not fear war. If war will be thrust on China, whose people are full of determination to defend its rightful cause, then we have not the slightest doubt that the Chinese people will give a worthy rebuff to the aggressor.

The aggressive preparations of the USA in the Far East, judging by everything, are not limited only to the region of the Taiwan Straits. There are facts to the effect that encouraged and instigated by the United States Syngman Rhee again is preparing military provocations and declaring his intention to move "in a march to the North". Evidently someone in the US has definite plans once more to turn Korea into a field of bloody battle. It is not because, by the way, the Government of the USA so stubbornly refuses to withdraw its troops from South Korea? But it is impossible to permit a repetition of the Korean tragedy, and the criminal plots of the Syngman Rhee-ites must be stopped. There can be no doubts that if the Syngman Rhee-ites risk a repetition of their "march", then there awaits them the same fate which befell them when the Korean people and the Chinese people's volunteers inflieted a complete defeat on the aggressor and frustrated his plans. Of course responsibility for the provocation of Syngman Rhee lies entirely on the Government of the USA.

At the recently concluded special session of the UN General Assembly, you, Mr. President, spoke about indirect aggression. Allegedly threatening certain Arab states of the Near East on the part of other Arab states, and called for the condemnation of this non-existent indirect aggression. At the same time the United States itself is carrying out in the Far East not only indirect but also direct aggression, by having seized the Chinese island of Taiwan and by supporting the anti-national clique of betrayers of the Chinese people, harbored on this island under the protection of American weapons and making from there bandit sorties against China.

The dispatch of its armed forces to the region of Taiwan and the waters of the Paeific Ocean adjacent to it the Government of the USA usually seeks to justify with reference to some kind of "obligations" undertaken by it in relation to the "defense" of this region. But did the Chinese people ask the American Government to take on itself such an obligation, by referring to which it permits itself to hamper the realization by China of its sovereign rights In relation to Taiwan and other Chinese islands?

The American people in the past itself had to beat off attempts of foreign powers to interfere in its internal affairs and by force of arms to impose their will on it. It is well known that these attempts ended lamentably for those who undertook them. Would it not be right to draw the appropriate conclusions from this historical experience of the United States and end the poticy of interference in the internal affairs of China? Indeed if national independence is dear to the American people, then why should it be tess dear to the Chinese people, as well as to any other people?

It is possible you will find what I have said above as harsh. But I do not permit myself to agree with this. In this letter to you, as also on other occasions, I simply wish to express myself frankly and to emphasize the whole danger of the situation developing in the region of

Taiwan and the Chinese offshore islands as result of actions of the USA. If we were to hide our thoughts behind outwardly polite diplomatic formulations, then, I think it would be more difficult to understand each other. Moreover, we desire, that you, the Government of the USA and the whole American people with whom we wish only good relations and friendship should have a correct idea about those consequences which the present actions of the USA in the Far East might have. It would be a serious miscalculation if in the United States the conclusion were drawn that it was possible to deal with China in accordance with the example as it was done by certain powers in the past. Such kind of miscalculation might have serious consequences for the cause of peace in the whole world. Therefore let us introduce into the question full clarity because reservations and misunderstandings in such affairs are most daugerous.

An attack on the Chinese People's Republic, which is a great friend, ally and neighbor of our country, is an attack on the Soviet Union. True to its duty, our country will do everything in order together with People's China to defend the security of both states, the interests of peace in the Far East, the interest of peace in the whole world.

Nothing would be further from the truth than an attempt to assess this, my message to you, as an intention to exaggerate unnecessarily and even more to utter some kind of threats. We desire only to draw your attention to the situation from which no one can escape—neither you nor we-if in the Far East the fire of war breaks out. We wish to find a common language with you with which to cease the present movement downward on the inclined slope, with which by the common efforts of the USSR, the USA, the Chinese People's Republic and other countries to remove the tension arising in the Far East, with which it might be possible to say that through united efforts a useful contribution was made in the interest of peace in the whole world. Of course to decide to "recognize" or "not to recognize" the Chinese People's Republic is an affair of the Government of the USA itself. In this connection it is possible only to remark that neither the very fact of the existence of the CPR as one of the great powers of the world, nor the role which this government plays in our time in international relations, is changed because of that. But at the present time in view of the policy which the Government of the United States follows in relation to China such a situation has arisen that the question of the relationship of the United States to China obviously extends beyond the framework of purely internal affairs of the United States.

A situation has arisen which involves the interests of many countries. The tension artificially maintained in view of the policy of the USA in the relations between the United States and China and even more such actions which the United States is undertaking at the present moment in the Far East will lead also to a straining of relations between all great powers—the founders of the UN. It is possible without exaggerating to say that the present policy of the USA in relation to China complicates the solution of many important international ques-

tions and in a serions form hampers the normal activity of the UN as an international organization called upon to guard the cause of peace. There is one Chinese state and it is located in China and nowhere else and Taiwan and the other Chinese islands where at the moment the Chiang Kai-shekists have ensconced themselves—these are a part of China.

Only the Government of China—in the capital of China—Peking and to which the many million Chinese people have entrusted the leadership of their country has the right and the real possibility to represent China in international relations. And only the unrealistic position of the Government of the USA which still prefers to close its eyes to the actual state of affairs in China, is a stumbling block, prevents the states members of the UN from taking the only correct decision—to throw out of this organization the political corpse of the Chiang Kai-shekist imposter and to grant the representatives of Great China their legal place in the UN. Who will deny that China is attempting to free its own territory which has been transformed into a military base of a foreign power and which has become a source of continual threat for peaceful life of the Chinese people?

China has the full legal right to take all necessary measures against the traitor Chiang Kai-shek. It is taking these measures on its own soil and is not sending its armed forces on the territory of other countries. These actions of the Chinese People's Republic represent only legitimate measures of self-defense, foreseen also by the Charter of the United Nations organization. Quite otherwise acts the Government of the USA which is trying to confer upon itself the right to send its armed forces thousands and thousands of kilometers from the USA for the retention of the Chinese islands seized by it. It is not by accident that even the allies of the United States in the military blocs quite loudly censure American policy in relation to China as unrealistic and dangerons.

I think that every person who displays a real anxiety for the fate of peace cannot but speak out for having an end put to that abnormal and dangerous situation which has developed as a result of the current political course of the Government of the USA in the Far East. For that, according to the conviction of the Soviet Government, above all it is necessary to give up the narrow and alien-to-all-reality approach to the great historical changes which have taken place in China, it is necessary to recognize the legitimate rights and interests of the Chinese People's Republic and once and for all to cease the policy of provocation and blackmail in connection with the Chinese people.

In the Far East there can not be a stable peace until such time as the American Navy Fleet will be withdrawn from the Taiwan Straits, until American soldiers will leave the Chinese island of Taiwan and will go home. We are convinced that such an opinion is shared not only by the Soviet Union and other socialist states but also by all other countries for whom the cause of peace is dear in the Far East and in the whole world. Mr. President, concluding my present message to you, dictated by a sense of the great responsibility which lies

upon our countries for the preservation of peace in the whole world, I wish with all force to emphasize that whether peace will reign in the Far East or whether this region will continue to remain a dangerous hotbed of war will depend fully on the further actions of the Government of the USA. I should like to hope that you with the necessary understanding will apprehend the present message to you from the side of the Soviet Government. I permit myself to express also the confidence that this message will be correctly understood by all the American people which—we are convinced of this—like other peoples desire peace and do not desire war.

If the Government of the USA will take the road of respect for the legitimate sovereign rights of the great Chinese people then this doubtless will be regarded with satisfaction by all peoples as a serious contribution of the people of the United States of America to the cause of strengthening of universal peace.

Sincerely,

N. Khrushchev September 7, 1958

His Excellency
DWIGHT D. EISENHOWER,
President of the United States of America,
Washington, D. C.

U.S. and U.S.S.R. Agree on Date for Talks on Test Suspension

Following is an exchange of notes between the Governments of the United States and the U.S.S.R. concerning negotiations for an agreement on the suspension of nuclear weapons tests.

U.S. NOTE OF SEPTEMBER 101

Press release 527 dated September 11

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and, referring to the Ministry's Note of 30 August of this year, has the honor to state that the Government of the United States of America notes with gratification that the Government of the Union of Soviet Socialist Republics has agreed to the date of October 31, 1958 as proposed by the United States for the beginning of negotiations among representatives of the United Kingdom, the Union of Soviet Socialist Republics and the United States on the question of suspension of

nuclear weapons tests and the actual establishment of an international control system on the basis of the Report of the Geneva Conference of Experts.² The United States further notes that the Government of the Union of Soviet Socialist Republics suggests that these discussions be held in Geneva. The United States agrees to this location. The United States is informed by the Secretary General of the United Nations that conference facilities and secretariat services will be available at the Palais des Nations.

The Government of the Union of Soviet Socialist Republies also proposes that a period of two to three weeks be set for the duration of the proposed discussions. The United States, of course, agrees that the negotiations should be concluded as quickly as possible, but believes that their importance requires the expenditure of whatever time may mutually be deemed necessary for their successful conclusion.

The Chairman of the United States Delegation to the conference will be Ambassador James J. Wadsworth, United States Representative on Disarmament.

With regard to the other issues raised in the note and those discussed by the Chairman of the Council of Ministers of the Union of Soviet Socialist Republics in the statement attached to the note of the Government of the Union of Soviet Socialist Republics,³ the views of the United States Government are as set forth in the statement of President Eisenhower of August 22.⁴ The United States proposes that these issues be reserved for discussion at the meetings which will commence at Geneva on October 31.

SOVIET NOTE OF AUGUST 30

Unofficial translation

The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics presents its compliments to the Embassy of the United States of America and referring to the Embassy's Note of 22 August this year has the honor to state that the Government of the Union of Soviet Socialist Republics is ready to start 31 October 1958 negotiations of representatives of the Union of Soviet Socialist Republics, the United States of America and Great Britain with the aim of concluding agreement on cessa-

¹Delivered to the Soviet Foreign Office at Moscow on Sept. 10.

² For text, see Bulletin of Sept. 22, 1958, p. 453.

³ Not printed here.

⁴ Bulletin of Sept. 8, 1958, p. 378.

tion forever of tests of atomic and hydrogen weapons by states with establishment of appropriate control for fulfillment of such agreement. In the opinion of the Soviet Government, the most convenient place for conducting such negotiations would be Geneva. To avoid the dragging out of negotiations it would be expedient to agree beforehand on limitation of their duration to a definite period. On its part, the Soviet Government purposes to set this period at two to three weeks.

Forwarded herewith is the text of the statement of the Chairman, Conneil of Ministers, Union of Soviet Socialist Republics, N. S. Khrushchev, in which the point of view of the Soviet Government is set forth on questions touched upon in the statement of President Eisenhower of 22 August.

U.S. Urges Soviets To Respond to Note of July 31

U.S. NOTE OF SEPTEMBER 81

Press release 520 dated September 8

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and has the honor to refer to the United States note of July 31, 1958,² regarding a study of the technical aspects of safeguards against the possibility of surprise attack.

It is noted that while the Government of the U.S.S.R. has responded to the United States proposal for negotiations on a nuclear test suspension beginning October 31, it has not yet responded to the United States proposal for studies of the practical aspects of safeguards against surprise attack beginning the first week of October. The United States hopes that it may receive an early reply to its note of July 31, since it attaches great importance to the proposed study as an effective means of moving toward agreement on meaningful measures of disarmament. Because of the delay and the necessity for careful preparations if the proposed technical talks are to be of greatest value, the United States believes that the meeting originally proposed for the first week of October should now be scheduled at a later date about two months after a reply from the Soviet Government has been received.

U.S. Replies to Soviet Note on Balloons

U.S. NOTE OF SEPTEMBER 51

Press release 517 dated September 6

The Government of the United States acknowledges the receipt of the note of the Soviet Government of September 3, 1958, stating that several aerial balloons of American manufacture recently landed in the Soviet Union.

The Government of the United States has investigated this matter and ascertained the following facts. In connection with a program designed to gather meteorological information on the earth's atmosphere, the Cambridge Research Center of the United States Air Force has launched from the West Coast of the United States a number of high-altitude weather research balloons to transit the United States during the first six months of this year. The plastic balloons earry scientific recording instruments, including cameras for photographing cloud formations and other weather phenomena. This program has been the subject of several public announcements and on July 25, the Cambridge Research Center stated that a few of these balloons were lost and had not been found.

In the light of the foregoing facts, the balloons referred to in the note of the Soviet Government may be among those unrecovered by the Cambridge Research Center. All equipment used for the meteorological scientific program of the Research Center was clearly marked and the finder was requested to inform the Center by calling its telephone number in Bedford, Massachusetts, indicated on a plaque attached to the side of each gondola. This method of identification has been helpful in the past in bringing about the return of the scientific recording instruments. If the equipment in the possession of the Soviet Government can be thus identified as the equipment described above, the United States Government requests that the Government of the Union of Soviet Socialist Republics promptly return this equipment through the American Embassy at Moscow in order that the data collected may be evalu-

¹ Delivered by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs on Sept. 8.

² Bulletin of Aug. 18, 1958, p. 278.

¹ Delivered by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs on Sept. 5.

ated and made available for use throughout the world scientific community.

SOVIET NOTE OF SEPTEMBER 32

Note No. 49 OSA

September 3, 1958

Unofficial translation

The Soviet Government considers it necessary to state to the Government of the USA the following:

Recently in the air space of the Soviet Union there have been caught several balloons with apparatus hanging to them which includes automatic photographic cameras for aerial photography of localities, radio receivers and transmitters, etc. An examination of apparatus shows that it was manufactured in the USA and that the launching of balloons was carried out by the Air Forces of the USA. In particular this is evidenced by the marks on several parts of the apparatus.

As is known the Soviet Government in the past already addressed itself to the Government of the US with the demand to take the necessary measures to cease the launching of American balloons into the air space of the Soviet Union. The Soviet Government pointed out then that the flying of American aerial balloons over the territory of the USSR represented a crude violation of the aerial space of the Soviet Union and was a violation of the universally recognized principle of international law according to which each state has full and exclusive sovereignty in relation to the aerial space above its territory.

Replying to the message of the Soviet Government on this question, the Government of the US declared in its note of February 8, 1956,² that it will take measures to prevent in the future the launching of aerial balloons which might fly over the territory of the Soviet Union.

In connection with the above the Soviet Government again protests to the Government of the USA against the launching of American balloons into the aerial space of the USSR and expects that from the side of the Government of the USA there will be taken immediate measures for the cessation of similar actions of the American authorities.

United States Asks U.S.S.R. and Iran for Information on Missing Plane

Press release 518 dated September 6

DEPARTMENT ANNOUNCEMENT

In connection with the disappearance on September 2, 1958, of an unarmed U.S. Air Force C-130 transport plane on a flight over Turkey, the U.S. Government on September 6 requested

the Governments of the U.S.S.R. and Iran to furnish it with any available information regarding the plane and its crew of 17. The Turkish Government has been conducting a search for the missing plane and its crew from the time of its disappearance.

U.S. NOTE TO U.S.S.R.

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and has the honor to communicate the following on instructions from its Government:

It has been ascertained that an unarmed United States Air Force C-130 transport plane on a roundtrip flight from Adana to Trabzon and Van, Turkey is missing. Departing Adana at 10:21 GMT on September 2, 1958, the aircraft was last reported over Trabzon at 11:42 GMT and is unreported at Van. A crew of seventeen was on board.

In view of the foregoing, the United States Government would appreciate receiving any information which might become available to the Soviet Government concerning the missing United States aircraft and its crew. A similar inquiry is being addressed to the Iranian Government.

United States and Cuba Sign Atomic Energy Agreement

Press release 522 dated September 9

The Governments of Cuba and the United States on September 9 signed a comprehensive agreement for cooperation in the peaceful uses of atomic energy for power and research.

The agreement was signed for the United States by Assistant Secretary of State for Inter-American Affairs Roy R. Rubottom, Jr., and U.S. Atomic Energy Commissioner Harold S. Vance, and for Cuba by Ambassador Nicolás Arroyo.

The agreement supersedes a research agreement with Cuba effective since October 10, 1957.² The new agreement will expand the scope of U.S. cooperation with Cuba by providing for the exchange of information on the development, de-

² Handed to American Chargé d'Affaires Richard H. Davis at Moscow on Sept. 3 by Soviet Deputy Foreign Minister G. N. Zaroubin.

³ Bulletin of Feb. 20, 1956, p. 293.

¹ Delivered at Moscow on Sept. 6.

² Treaties and Other International Acts Serles 3911.

sign, construction, and operation of experimental power, demonstration power, and power reactor as well as research types.

As part of the agreement the Atomic Energy Commission will sell or lease to the Government of Cuba up to a maximum of 700 kilograms of contained U-235 at an enrichment of up to 20 percent. In the event that Cuba decides to build a materials testing reactor the transfer of 8 kilo-

grams of reactor fuel at 90 percent enrichment in U-235 is authorized. This quantity of fuel would be used in a 20.5 EMW boiling water power reactor to be constructed in the Habana del Este area of Cuba.

The agreement, which runs for a 20-year term, will become effective after statutory and constitutional requirements of both Governments have been met.

The United Nations: The Road Ahead

by Francis O. Wileox
Assistant Secretary for International Organization Affairs ¹

I am pleased to have this opportunity to meet with you again only 2 days before the opening of the 13th General Assembly.

Much of the United Nations present strength and vitality stems from the wholehearted support of the American Association for the United Nations and the other nongovernmental organizations which are represented here today. You have made an invaluable contribution through your efforts to promote a wider understanding among the American people of the importance of the United Nations in man's quest for a just and lasting peace. A broad public understanding of the organization and the major problems confronting it is essential to the United Nations if it is to function effectively. I congratulate you all on the achievements of your organizations in working toward this important objective.

The delegation which will represent us at the forthcoming session will be a source of strength for the United States.² Under the very able and resourceful leadership of Secretary Dulles and Ambassador Lodge the delegation will function as a representative group of American leaders. Its members will come from varying walks of

life—the legislative and executive branches of the United States Government, the law and the arts, and industry and labor. I have no doubt that this team will represent the interests of the United States productively and with vigor at the 13th General Assembly.

The United Nations as a Force for Peace

Since our last meeting here a year ago the United Nations has continued to prove itself an effective force for world peace. Grave international disputes which might have erupted into large-scale conflicts imposed severe strains on the organization. Nevertheless, it met these challenges with a sense of responsibility and moderation.

Nowhere has the United Nations been more deeply involved in preserving the peace than in the troubled Middle East. The Assembly's unanimous action at the recent emergency special session in the Lebanon-Jordan crisis has offered new opportunities, which we hope can be realized, to further the stability and the welfare of the nations in the area.

By their joint action the member states were able to reach agreement on three important propositions. They agreed that all members of the

¹ Address made before the American Association for the United Nations at New York, N.Y., on Sept. 14 (press release 536 dated Sept. 13).

² For a list of the U.S. representatives to the 13th General Assembly, see Bulletin of Aug. 18, 1958, p. 294.

³ For text of the resolution adopted unanimously on Aug. 21, see *ibid.*, Sept. 15, 1958, p. 411.

United Nations should act strictly in accordance with the principles of mutual respect for the territorial integrity and sovereignty of other states, of nonaggression, and of strict noninterference in each other's internal affairs. Secondly, they asked the Secretary-General to make practical arrangements which would help uphold the purposes and principles of the charter in relation to Lebanon and Jordan and thereby facilitate the early withdrawal of foreign troops from the two countries. Third, they requested the Secretary-General to consult with the Arab countries of the Near East with a view to possible assistance regarding an Arab economic development institution.

The United States welcomes and supports the initiative of the Arab states in developing this formula. Scrupulously respected, such a formula can offer bright prospects for the future of the Middle East. It could be the harbinger of a new era.

I would be less than candid, however, if I did not remind you that concrete deeds are far more convincing than resolutions—even those that are approved by a unanimous vote. It remains to be seen whether the Arab states will justify the vote of confidence given them by the General Assembly and will work out their problems in a spirit of mutual cooperation and good will.

In this connection may I say just a word about the problem of indirect aggression. The immediate threat to world peace, it seems to me, does not lie in the possibility of an all-out armed attack launched by one country against another. It lies, rather, in the subtler methods of intrigue directed against free and independent states—propaganda warfare and subversion, which we have come to know as indirect aggression.

As times are new, so we must think and act anew. The United Nations must face up to this challenge of indirect aggression. If it does not do so, the integrity and independence of small states everywhere will be in jeopardy and the cause of peace may suffer a mortal blow.

Our own hopes for a new era in the Middle East were voiced by President Eisenhower when he presented to the General Assembly a comprehensive program designed to insure political stability and a rising standard of living for people in the area.⁴ In clear and eloquent phrases, President Eisenhower offered six basic proposals which would provide the framework for peace in the Middle East. I would like to recall them to you now:

First: The Assembly should determine means for insuring the continued independence and integrity of Lebanon.

Second: Adequate measures should be taken to preserve the peace in Jordan.

Third: The Assembly should take action to end the fomenting of civil strife in the area through inflammatory and subversive propaganda.

Fourth: Steps should be taken looking to the creation of a standby United Nations Peace Force.

Fifth: The Secretary-General should consult with the Arab nations regarding the establishment of a regional economic development institution which would speed up the improvement of the standard of living in the area.

Sixth: The states concerned might wish to call for a United Nations study of the flow of heavy armaments with a view to working out arrangements "under which the security of all these nations could be maintained more effectively than under a continued wasteful, dangerous competition in armaments."

With the adoption of the resolution which I described earlier, the emergency special session of the General Assembly took the first steps to implement President Eisenhower's proposals. Secretary-General Dag Hammarskjold has been visiting the Middle East and consulting with leaders of the Arab world on practical measures to carry out the terms of the United Nations resolution. We are awaiting his report to the General Assembly on the results of his mission.

I hope that the forthcoming session of the General Assembly will be able to take additional action to further the objectives of the program outlined by the President.

Issues Confronting the 13th General Assembly

Against this background, I would now like to review with you some of the major issues which will confront the Assembly during its forthcoming session.

The 13th General Assembly, in my opinion, could be one of the most important sessions in the history of the United Nations. Technologically, man is making steady progress in probing the mysteries of outer space and the harnessing of

⁴ Ibid., Sept. 1, 1958, p. 337.

atomic energy. New political forces are at work stemming mainly from the evolving nationalism in Asia and Africa and the consequent emergence of many new states. A continuing development to reckon with is the increasing power of the Soviet Union. This increased power has permitted the men in Moscow to inject a more aggressive note into their foreign policy while simultaneously posing as the champions of peace.

All of these elements will inevitably have their impact on this General Assembly, but so also will the proposals and posture of the United States.

United Nations Peace Force

The United Nations Emergency Force has clearly demonstrated that it is possible for a truly international force to assist in preserving the peace. In the case of the United Nations Observer Group in Lebanon there have, of course, been limitations on the scope of its operations. The significant thing, however, is that United Nations presence in Lebanon has had a stabilizing effect and reduced the threat to the peace.

The President declared in his message to the General Assembly that countries whose independence is threatened should be able to get prompt and effective action from the United Nations in order to help them preserve their freedom. To this end he urged the Assembly to take action looking to the creation of a "standby United Nations Peace Force."

This General Assembly will undoubtedly give its attention to this problem. The Secretary-General, as you are aware, has conducted an intensive study of the possibilities of such a force for some time. While it would be inappropriate for me to go into details of such a plan, I would like to offer a few general observations.

When I refer to a United Nations Peace Force, I am not thinking of large armed contingents powerful enough to repel armed attack. As desirable as that might seem to many of us, it is not practicable at this juncture in world history. We must, therefore, think in more modest terms.

Our experience with the United Nations Emergency Force (UNEF), the United Nations Truce Supervisory Organization (UNTSO), and the United Nations Observer Group in Lebanon (UNOGIL) has underscored the need for personnel available on short notice to deal with emergencies which may threaten the peace. When a na-

tion's freedom is in jeopardy, time becomes precious. As Secretary Dulles declared at the time of the debate on Lebanon and Jordan.⁵

The preferable solution would have been collective action of the world community represented by the United Nations. But that would have taken time.

Naturally, any United Nations standby peace force should be prepared to meet a wide range of situations. It should also be ready to move quickly. This would necessitate some kind of permanent staff in the United Nations Secretariat to act as a planning center. This is the first step that should be taken.

We recognize that there are many problems connected with the establishment of such a force, such as organization, control, and financing. However, we consider progress toward a standby United Nations force is highly desirable. In this connection the small powers can play a significant role. We hope, therefore, that the coming General Assembly session will achieve at least a modest beginning in this direction.

Hungary

The situation in the captive nations of Eastern Europe, particularly Hungary, is a continuing source of concern to all free men. The General Assembly in 1957, on the basis of a unanimous report of the United Nations Special Committee on Hungary, concluded that the present Hungarian regime had been imposed on the people of that country by the armed intervention of the U. S. S. R. and that the Kadar regime and the Soviet Union had subjected the Hungarian people to repressive measures. After condemning these actions, the General Assembly called on the Soviet Union and the Hungarian authorities to respect the fundamental human rights and freedoms of the Hungarian people.

On June 16, 1958, Moscow and Budapest announced simultaneously the secret trials and executions of former Premier Imre Nagy, former Defense Minister Pal Maleter, and two other leaders of the 1956 national uprising.⁸ As a result of this brutal action in defiance of world opinion and in

⁵ Ibid., Sept. 15, 1958, p. 409.

 $^{^{\}rm o}$ For text of final chapter of report, see ibid., July 8, 1957, p. 62.

⁷ For text of resolution, see *ibid.*, Sept. 30, 1957, p. 524.

 $^{^{8}}$ For a Department statement on the executions, see *ibid.*, July 7, 1958, p. 7.

violation of the pledged word of the Hungarian authorities, the Special Committee made a further investigation. On July 14, 1958, in a special report, the Committee asserted that there was no evidence that the Soviet Union had withdrawn its forces from Hungary and indicated that repression continues in that unhappy country.

The tragedy of Hungary has not been forgotten. In fact, the Hungarian question has been inscribed on the provisional agenda of the 13th Assembly. Thus, all member states will have an opportunity to consider the latest report of the Special Committee and determine what further steps can be taken to alleviate the plight of the Hungarian people. The United States will continue, in the United Nations and elsewhere, to focus attention on conditions in Hungary.

Disarmament

Now I would like to turn to an issue of vital importance to all mankind, namely, the question of disarmament.

Few will deny that the frightful new weapons which man's genius has produced can lead to his ultimate destruction.

I am sure that all of you are aware of the active concern and tireless efforts of the United States and its free-world associates to achieve progress in the field of disarmament. The key principle in our approach to the question of arms limitation and control is mutual inspection. It is clear that any disarmament agreement, however good in theory, would be ineffective in practice without a workable mutual inspection system.

One important aspect of this problem is the detection of nuclear explosions. As you know, substantial progress in this field was achieved at a recent conference of experts in Geneva. These experts, who represented both the West and the Communist bloc, reported that "the methods . . . available at the present time . . . make it possible to detect and identify nuclear explosions, including low-yield explosions." They added that "it is technically feasible to establish . . . a workable and effective control system to detect violations of an agreement on the worldwide suspension of nuclear weapons tests." 10

The studies represented in this report were exhaustive. They covered such complex matters as the recording of acoustic waves and radio signals, the use of radioactive debris, and even the detection of nuclear explosions at approximately 20 to 30 miles above the earth.

The conference report includes a detailed description of the technical requirements for a workable control system. For example, a proposed network of control posts would include from 160 to 170 land-based posts and about 10 more on ships. Of these, about 100 to 110 of these posts would be located on continents, 20 on large islands, and 40 on small ones. The posts would be located throughout the world in North America, Europe, Asia, Australia, South America, Africa, Antarctica, and elsewhere.

The experts concluded their report by recommending this control system for consideration by governments.

This conference represents a significant step forward in the necessary preparatory work for a meaningful disarmament agreement. It could set the stage for a real breakthrough in the quest for disarmament, for which so many have been hoping.

Now the Soviet Union and the United States have agreed to begin *political* discussions next month on the possibilities for suspending nuclear tests.¹¹ We hope the talks will produce concrete results.

Another area in which we might anticipate progress relates to safeguards against surprise attack. The Soviet Union responded favorably to President Eisenhower's initiative of last April suggesting that qualified experts meet to study the technical aspects of this problem. No date has yet been set for these talks. Last week we called on the Soviet Union for a final response on this matter and suggested a meeting about 2 months following the Soviet reply. If discussions take place and are successful, another important milestone will be passed on the path to effective arms control.

The United States looks forward to the discussions on test suspension which are scheduled to begin on October 31 in Geneva. Our approach will be cooperative and constructive. This Assembly can help to carry forward the momentum toward agreement developed in recent days. As a mini-

⁹ U.N. doc. A/3849.

¹⁰ For text of the final report adopted by the conference of experts, see *ibid.*, Sept. 22, 1958, p. 453.

¹¹ For texts of U.S. and Soviet notes, see p. 503.

¹² For text of U.S. note of Sept. 8, see p. 504.

mum, the Assembly ought to give its moral support to the upcoming talks and urge the achievement of a meaningful agreement as soon as possible. If the Assembly can avoid an acrimonious debate, if it can encourage the parties to find common ground, then the forthcoming Geneva talks can begin in a most favorable climate.

Outer Space

Any discussion of disarmament naturally raises the problem presented by man's ventures into outer

Developments in the field of outer space affect all mankind. Our scientists tell us, for example, that artificial satellites reporting back to earth will enable us to explore the mysteries of the universe for the first time unimpeded by the distortion of the earth's atmosphere. Newly gained knowledge of the behavior of the sun and of interference with radio communications will be acquired. Improvements in means of communication may be possible by using satellites as radio relay points. Radio communication free of atmospheric and ionospheric disturbances will be possible—and between the most distant points on earth. Worldwide television will be possible. Air safety and navigational methods now unimagined will become There could be incalculable improvement in weather forecasting through the study of cloud patterns on a planetary scale. The use of space platforms may even make weather control a possibility. The new knowledge may revolutionize medicine, nutrition, agriculture, and numerous other fields associated with man's welfare.

Therefore we believe the United Nations should take immediate steps to prepare for a constructive and fruitful program of international cooperation in the peaceful uses of outer space even before agreement respecting military use of outer space is reached. Certainly, we do not wish to repeat our experience in the field of atomic energy in which failure to achieve agreement on nuclear disarmament delayed for a considerable period the development of an international program for the peaceful uses of atomic energy. We are therefore pressing forward with proposals for international cooperation in the peaceful uses of outer space.

As Ambassador Lodge announced in his address to the American Legion on September 2,13 we have requested that the problem of outer space be inscribed on the agenda of the General Assembly. We shall seek action by the Assembly to pave the way for a realistic and effective United Nations program of international cooperation.

The Assembly can move forward in this vital matter by establishing a representative committee to make detailed studies and recommendations as to specific steps the United Nations can take to promote and assure the peaceful use of outer space for the benefit of all mankind.

We are convinced that more progress can be made in the peaceful use of outer space if it is separated from the highly contentious and complex issue of disarmament. We made a similar separation in 1953 when President Eisenhower called for the creation of an International Atomic Energy Agency without awaiting a disarmament agreement.

The International Atomic Energy Agency

My remarks on the need for a United Nations program to promote the peaceful uses of outer space naturally raise questions as to their progress on the international control of atomic energy resources.

The International Atomic Energy Agency, which was established nearly a year ago in Vienna, is now a going concern. Its General Conference will meet for its second session on September 22.

This organization has already begun its primary task of promoting the international sharing of benefits of atomic energy. Significant steps have been taken or are under way to this goal. For example:

A mission sponsored by the IAEA has already visited 17 countries in Latin America in an effort to determine training requirements in the peaceful application of atomic energy and is now preparing to report on its findings.

The Agency has 140 training fellowships available for this academic year for training scientists. A similar number is contemplated for next year. Ten students under this program are now arriving in the United States from various countries throughout the world for a course of study at the International School of Nuclear Sciences and Engineering at the Argonne National Laboratory.

A panel of experts has prepared a manual on safe practices in the use of radioisotopes. A sur-

¹⁸ Ibid., Sept. 22, 1958, p. 448.

vey of the possibility of standardizing terminology in nuclear physics on an international basis is under way. An international catalog of radioisotopes is being prepared.

From the forthcoming General Conference we are anticipating further proposals for advancing the Agency's program. The President has appointed John A. McCone, Chairman of the Atomic Energy Commission, as head of our delegation. This reflects the firm support of the United States Government for the new Agency.

The IAEA promises great benefits for the future. But these will not come immediately or without effort. The Agency is only at the beginning of its task. Its accomplishments must now, therefore, be on a modest scale. Precisely for this reason I am convinced that your organizations can serve an important purpose in developing support for the Agency during this formative period. The concept of international cooperation to build a better world from the peaceful atom is, and will remain, a great challenge to us all.

The Second Conference on the Peaceful Uses of Atomic Energy just concluded in Geneva has increased the sentiment for close international cooperation in this vast new area which man is beginning to master. For example, the exciting prospect of tapping the tremendous power of thermonuclear explosions for peaceful purposes was opened when the United States, the United Kingdom, and the Soviet Union announced that the results of their experiments in this field would be declassified and made available for the benefit of all mankind.

The Far Eastern Situation

All of us are deeply concerned over the grave situation created by the current aggressive Chinese Communist military actions in the area of the Taiwan Straits. Certain basic facts must be borne in mind in any consideration of this situation, in which the real issue is the Chinese Communists' attempt to realize through the use of force their political objectives. These facts are:

—The Communist objective is not the offshore islands; they have stated repeatedly that these small islands are only steppingstones to their major objective, the seizure of Formosa, which is a vital link in the free world's defense system in the Far East.

—The present hostilities were initiated by the Chinese Communists, without provocation.

—Neither Taiwan nor the islands under attack have ever been under Chinese Communist authority.

—The United States is bound by treaty to assist Taiwan against armed attack.

—If the Republic of China were to abandon the offshore islands, the Chinese Communists would not abandon their determination to use force to seize Taiwan.

Moreover, if the offshore islands were to fall into Communist hands through force, the Communists would feel confirmed in their belief that aggression pays. They would be encouraged to seek more by the same means. And their influence in Asia would be greatly enhanced.

The issue is clear: For the United States it means a firm stand in defense of the fundamental principle of the United Nations that force shall not be used to achieve political objectives. There is a much better way than resorting to force to settle such differences as these. Negotiation is the way. The United States will seek to follow the path of peaceful negotiation. For this reason our Ambassador in Warsaw [Jacob D. Beam] has been instructed to be ready to meet with the Chinese Communist representative. The past record of the Chinese Communists around the conference table gives no cause for optimism. Nevertheless, the resumption of ambassadorial talks could lead the way out of the present difficulties in the Taiwan Straits area.

It will be necessary, however, for the Chinese Communists to act like law-abiding members of the world community, something which they have been unwilling to do up to now.

Each member of the United Nations obviously has a strong interest in the situation in the Taiwan Straits area since Communist activities there are fraught with danger to all of us and to world peace. As the President said,

If the bilateral talks between Ambassadors do not fully succeed, there is still the hope that the United Nations could exert a peaceful influence on the situation.¹⁴

I am sure all of us here and in the United Nations will be watching the situation closely in the coming critical days.

¹⁴ For text of a report to the American people by President Eisenhower on Sept. 11, see p. 481.

We can expect renewed efforts by the Soviet Union to obtain a seat in the United Nations for Communist China. The United States, however, will continue its firm support for the seating of the Republic of China as the only lawful representative of the Chinese people. Last year our position was upheld by a vote of 48 to 27 in the General Assembly. I believe the Assembly will again support this policy.

Our position on this question is crystal clear. Time and again, Congress, aware of the aggressiveness of Communist China, has unanimously opposed in various joint resolutions the seating of the Peiping regime in the United Nations. Red China is now under indictment by a United Nations resolution for its aggression in Korea. It still occupies North Korea in defiance of the United Nations. It is now engaging in aggressive action in Taiwan Straits. Our policy stems from a basic conviction that recognition of Red China would materially assist the Chinese Communists' efforts to extend their hegemony throughout Asia. Current developments support this conviction.

Other Issues

So far I have dealt mainly with political issues. However, we must not forget the important role which the United Nations plays in other areas.

This review of the issues confronting the forthcoming Assembly would not be complete without paying tribute to the United Nations activities in the economic and social field. The United Nations continues to press ahead with efforts to help raise living standards and generally advance the social well-being of mankind.

Of course, I would not argue that it is just as important for the Universal Postal Union to assure the delivery of our letters in faraway places as it is for the Security Council or the General Assembly to prevent the outbreak of a nuclear war. But I think we can all take an honest pride in the steady progress the United Nations and its specialized agencies are making in combating disease, poverty, ignorance, and hunger in many lands.

The Economic and Social Council recently adopted a resolution requesting the General Assembly to urge member governments to continue their contributions to the Expanded Program of Technical Assistance and provide for its gradual

expansion. We will exert every effort in support of such General Assembly action this fall. Our Congress has authorized a total contribution to both the Special Projects Fund and ETAP of up to \$38 million. In addition, we can expect that other members will contribute about \$30 million. This will assure the start of a financial base for the future development of these imaginative and forward-looking plans.

In the coming session the United States will support wholeheartedly the recommendation for establishment of the newly created Special Projects Fund. This fund will help further to expand United Nations activities in the technical assistance field. The resolution embodying the proposals not only provides for the establishment of the fund but contemplates an increase from \$30 million up to \$100 million in the funds available for extension of United Nations technical assistance activities. The fund will make possible surveys of water, mineral, and potential power resources; the staffing and equipping of training institutes in public administration, statistics, and technology; and the setting up of agricultural and industrial research and productivity centers.

This year marks the 10th anniversary of the adoption of the Universal Declaration of Human Rights. We hope that the General Assembly will take special cognizance of this anniversary of the adoption of the declaration. The Human Rights Commission and the Assembly's Social Committee are continuing their efforts to combat those basic social problems which produce instability and tension. Progress in this area, however, is hampered to a large extent by the fact that millions of people are still deprived of basic human freedoms. Nevertheless, the educational value of the Declaration of Human Rights has proved far greater than was originally anticipated. This supports the view of our Government, namely, that progress in this field can best be achieved through educational processes rather than by formal treaty obligations.

Substantial progress is being made in the trust territories under the aegis of the Trusteeship Council. The United Nations is providing valuable assistance and guidance in the transition of trust territories to self-government or independence.

Togoland, which has been under French administration, achieved a substantial degree of self-

government in the past 2 years. Last April the people of Togoland held an election of deputies to a new chamber. It was conducted under United Nations supervision. The opposition parties, campaigning for looser ties with France and ultimate independence, scored a decisive victory. Now, the United Nations is awaiting a formal expression of the newly elected Chamber's views on the Territory's future. I am convinced that Togoland's future will be worked out in accordance with the principles of the United Nations Charter.

The Governments and peoples of Togoland and France—as well as the United Nations election supervisor and his staff—are to be congratulated on the conduct of this election.

Somaliland has different and very serious problems. It will become independent in 1960 by a decision of the General Assembly taken several years ago. We have assured the Somalis of our continuing interest in assisting them after they achieve independence. In addition to the familiar difficulties which confront all new countries, it has been plagued with chronic budgetary difficulties and a boundary dispute with Ethiopia. It is particularly important that these problems be resolved before the United Nations responsibility terminates. Therefore, we shall continue to urge both sides to achieve an early solution to the boundary dispute in line with United Nations recommendations.

The Administrative and Budgetary Committee of the General Assembly must face once again the problem of rising costs. The total appropriation for last year was \$55 million. By the time the forthcoming Assembly completes action on all the items before it, we expect that the total appropriation will exceed last year's by several million dollars. Our own estimated contribution may amount to about \$20 million or 32.51 percent of the total amount. This percentage is the same as that of last year, but it represents a decrease from earlier years when we contributed as high as almost 40 percent of the total budget. This decrease is in line with the General Assembly's action last year which accepted the principle of 30 percent as the maximum share to be paid by the largest contributor (the United States) to the United Nations budget. The Assembly's first step in this direction was to reduce the percentage assessment of the United States from 331/2 percent to 321/2 percent this year.

Now, some people complain that our contribution to the United Nations is too high. To be sure the cost of peace is high, but it is far less costly than the terrible cost of a nuclear war. The dollars we put into the United Nations are certainly a small price to pay in terms of benefits which mankind derives from that organization.

Concluding Comments

In conclusion, I would like to outline some of the things I hope the General Assembly may achieve at its current session.

First: I hope that the deliberations of this Assembly will serve to reduce current international tensions and promote peaceful adjustments of international differences.

Second: I am hopeful that further steps will be taken to implement the various elements of the President's proposals for peace and progress in the Middle East.

Third: The Assembly should give urgent consideration to steps looking to the creation of a United Nations standby peace force. Such a force could make a substantial contribution to the strengthening of the United Nations machinery for peaceful settlement of international disputes.

Fourth: A committee should be established by the Assembly to explore constructive steps which the United Nations might take to promote the peaceful uses of outer space.

Fifth: I hope the Assembly will lend its moral support to the forthcoming technical talks in Geneva and assist in this way in maintaining the forward momentum we have gained in the disarmament field.

Sixth: The Assembly should continue its persistent quest to advance the economic and social well-being of mankind. The lessening of economic and social unrest and the advancement of dependent peoples aid immeasurably in laying the foundations for peace.

It is true that the United Nations has not always responded to man's high hopes. There have been failures to reach solutions to international difficulties in accordance with the principles of the charter. Obviously an organization so young in years is bound to have limitations. We must recognize these limitations and increase our efforts to make the United Nations an even more effective organization than it is today.

Despite its limitations, the fact remains that the United Nations has served as an indispensable force for world peace. It has provided a forum in which nations can air their grievances. It has achieved pacific settlement of many grave issues which might have exploded into war. It has frustrated Communist designs to mislead the world.

On one thing I am certain. It is essential that we and the other members of the United Nations never give up the quest for a just and lasting peace. We must never give in to despair; we must never permit ourselves to become fatalistic about the prospects of war.

Thueydides reminds us that fatalism tends to

produce what it dreads, for men do not oppose that which they consider inevitable.

We can only speculate on what might have happened to mankind had the United Nations not existed during these past 13 years. For my part, I am convinced that, if the nations of the world had been without a place to air their grievances and adjust their controversies under a code of international behavior, our civilization might well have been destroyed in a nuclear war.

The United Nations was created for the purpose of advancing international peace and well-being. It has no other goal. These purposes are identical with the objectives of American foreign policy. The circumstances demand that we continue to give the United Nations our full support.

The Challenge of the Times

by G. Frederick Reinhardt Counselor ¹

I can speak about CARE from first-hand knowledge. It was my privilege to be the United States Ambassador to Viet-Nam at the time that country became an independent Republic in October 1955. You may recall that, as a result of the war in Indochina, Viet-Nam was divided into a Communist-controlled north Viet-Nam and a south Viet-Nam that cast its lot with the freeworld community of nations. This division and Communist oppression in the north created an immense problem for the young Republic in that, long before the Republic was proclaimed, refugees by the tens of thousands had been pouring into south Viet-Nam from the north. The number of these refugees eventually reached the staggering total of 750,000, which is almost as many people as live here in the District of Columbia. These people were destitute with little more than the clothes on their back; and one-third of them were children.

CARE airlifted itself into this chaotic situation without a moment's hesitation. The first call was for penicillin and drugs to prevent smallpox,

cholera, and other epidemics. Coinciding with this went an appeal for food and clothing. The American people responded with typical generosity. Literally thousands of lives were saved, and CARE became a most respected word in Viet-Nam.

This, however, was only the first phase—the emergency phase—of CARE's work in Viet-Nam. When the dangers of disease and starvation had been conquered, CARE actively participated in the program of resettlement and rehabilitation. Hand tools, ploughs, handicraft kits, fishing gear, mosquito netting, livestock, and many other simple necessities were purchased with CARE funds and distributed to the refugees and needy citizens of this infant Republic. CARE then gave them the wherewithal to start life anew. They seized it eagerly and gratefully.

When I arrived in Saïgon early in 1955, the CARE mission in Viet-Nam had established a working relationship with the authorities in Saïgon that seemed equal to any stress or strain. I was tremendously impressed with the skillful and effective way CARE people get things done. And so, 3 years later, I am particularly gratified to have this opportunity again to express my personal

¹Address made before the meeting of the Board of Directors and National Advisory Council of CARE at Washington, D. C., on Sept. 4 (press release 511).

appreciation and my congratulations to the CARE organization for its accomplishments in Viet-Nam. If CARE's accomplishments in Viet-Nam are typical, and I have no doubt they are, CARE is doing a wonderful job for the United States abroad.

Turning to another area of the world which is of particular importance today, CARE has, in cooperation with various agencies of the United States Government, extended assistance to Egypt using surplus agricultural commodities made available under title III of Public Law 480. In fiscal year 1956 this program, the largest operated by CARE at that time, included the distribution of milk powder, butter, oil, and cheese to almost 3 million persons. Included in this total was a school-lunch program for feeding 1,900,000 school children. More recently CARE assistance has been made available through special programs at Gaza and Port Said. In addition, approval has also been given for the resumption of a modest program, based upon a CARE proposal submitted to ICA, involving distribution of upwards of \$8 million worth of surplus foodstuffs for use in an Egyptian school-lunch program to be operated by the U.A.R.-Egyptian authorities with the cooperation of CARE. The inauguration of this new program is an additional demonstration of the efforts of your organization, in collaboration with the United States Government, to assist other countries of the world in adequately meeting their urgent requirements of the most essential foods.

Cooperation Between ICA and CARE

I would like to speak for a few minutes this evening on the broader program of the United States Government in helping less developed peoples of the world. As you are well aware, this effort is centered principally in the United States mutual security program.

Yet perhaps not all of you appreciate the close cooperation that exists between the International Cooperation Administration, which administers the mutual security program, and CARE. For more than 10 years CARE has been registered with the ICA as a volunteer agency eligible for official support.

This status entitles CARE to draw on United States surplus food stocks in helping the needy overseas, and it empowers ICA to pay the ocean-freight charges in getting CARE packages and

CARE food to needy people. In the past 5 years more than \$500 million worth of surplus foods of all kinds have been used to assist CARE and other voluntary agencies in the job that they are doing.

CARE's work in effect makes an important contribution to our national policy, for the United States is today embarked on a worldwide effort to achieve peaceful progress by helping other nations improve their standard of living. Since World War II—and perhaps because of it—we have recognized the fact that nations are interdependent and that in our shrunken world democratic prosperity cannot coexist with poverty.

This philosophy is not merely based on fear of Russian missiles or atomic bombs. We had charted our course and were following it before the Soviets achieved a nuclear capability. It rests on the acknowledgment of a kinship between the man in the rice paddy in Burma and the man on the assembly line in Detroit. We have accepted the fact that peace is more difficult, more uncertain, if whole areas of the world face a future filled with despair.

Let me be more specific. Since World War II some 20 new independent states have come into being. Seven hundred and fifty million people live in these countries, or about one-fourth of the world's total. Each one of these countries has emerged from colonial status which in their own minds they look back upon as "colonial servitude."

This has resulted in an intense spirit of nationalism, coupled with a distrust, and more, of the Western World in general. This distrust is frequently not understood in the West and often gives rise to misunderstandings. Nevertheless it exists, must be recognized and dealt with.

Offsetting this distrust is the intense desire of these young nations to achieve a better standard of living and to do it quickly. They want to attain overnight what has taken older countries generations to achieve. They will not take "no" for an answer, and they are not prepared to accept a gradual approach, even when proposed by their own leaders. These leaders are on trial before their own people. As events in the Middle East have shown, this court of public opinion is a very severe judge.

This desire to escape centuries of disease, poverty, ignorance, and despair is one of the most powerful forces in this large underdeveloped portion of the world today. It has been called the

"revolution of rising expectations." It is exploited by our enemies with bland promises and offers of aid that they always describe as "without strings."

The problem facing the United States is simple: Will these newly developing nations succumb to the blandishments of the materialist system developed by 40 years of communism? Though inhuman, antireligious, and tyrannical, it has produced a remarkably rapid industrial revolution. And this, let us face it, has immense appeal to them. Or will they seek the way to economic well-being more slowly and without doing violence to individual liberty and political democracy which Western civilization has painfully evolved through centuries of effort? This is the challenge of the times.

No single country has the wealth alone to underwrite the economic development of these nations of the world. If the free world is to win this economic struggle, it must be a cooperative undertaking with many nations combining their efforts.

We have begun to recognize this principle and are putting it into effect. Last week, five governments and the International Bank for Reconstruction and Development agreed on a \$350-million aid plan to keep India's development program moving. This is the largest multination economic aid plan ever arranged for an underdeveloped country. It is a tremendously encouraging step.

Helping Others To Help Themselves

The United States is the most industrialized nation in the world. The less developed nations seek desperately the knowledge of industrial techniques and machinery and equipment which they cannot make for themselves. This is an area where we must accept leadership.

And it is in this direction that the mutual security program is directing its offensive. We are working with the less developed nations in an effort to help them help themselves. They need higher levels of health, education, sanitation. They need nurses, doctors, teachers, engineers, administrators. They need to learn new methods of agriculture, of irrigation, of conservation. We are sending hundreds of technicians to share our knowledge with these peoples; and we are bringing thousands of citizens of these countries to the United States to teach them how to go back to their country and demonstrate new, better meth-

ods of mining, engineering, nursing, education, and administration.

Our new weapon in this struggle is the Development Loan Fund. Congress appropriated \$300 million last year and \$400 million this year for this fund. Already applications are on hand for more than \$2 billion in long-range economic projects. This fund does not compete with the Export-Import Bank or with any other lending institution. It is a bank of last resort. It lends money for specific, long-range economic growth projects, such as port facilities, essential roads, improved power systems, railways, communications, and other developmental projects which, though economically sound, cannot obtain financing elsewhere.

Another feature of the United States mutual security effort that is attracting increasing attention is the investment guaranty program. I think that all of us recognize that, in the long run, private risk capital is the soundest way to develop a young country. This was the way the United States grew. A few weeks ago the United States passed the \$200-million mark in its program to guarantee private investors against expropriation or losses through inability to transfer funds from foreign currencies into dollars.

The investment guaranty program has sparked a new phase in private investment. Fifty years ago the American company planning an investment overseas insisted on owning 100 percent of the stock in the foreign venture. Twenty-five years ago a few daring souls decided that 51 percent might be safe, with nationals of the home country having the minority stock interest. More recently some American companies have tried ownership on a 50–50 basis. Today, interestingly enough, we find many companies reluctant to go into a new country unless the citizens of that country are interested enough to risk more than half the capital.

In some quarters our mutual security program is criticized as a "giveaway" and that it is all money "down the rathole." Yet this is apparently not a purely American phenomenon. The story has been brought back from Moscow that an American of Russian extraction returned to the Soviet Union this summer to visit his small hometown. The improvement in living conditions impressed him, but he found the townspeople grumbling and discontented. When he remarked

on the relative plenty in food and consumer goods, an acquaintance replied: "Sure, but look at all the money the Government's wasting on foreign aid."

U.S. No Longer Has Monopoly

It is true we no longer have the monopoly of foreign aid. The Soviets have taken a page from our book and have twisted our ideas to suit their own nefarious ends. This policy is now followed with efficiency and as usual with disregard for the truth. Soviet aid is exclusively in the form of loans, and they have yet to adopt a grant program. These loans, with their low interest rates, long-term repayment plans, and absence of controls appeal to underdeveloped countries and are accompanied by great fanfare. This program has been actively pursued. In the last 4 years Soviet loans have passed the \$2 billion mark, and the number of loan and trade agreements signed during this same period is up to 98. The net result is that Soviet-bloc trade has doubled from 1954 to 1957.

The Communists are seeking respectability, an entree, a chance to weaken the influence of the United States, and an opportunity to penetrate weaker countries. Here is a statement made by a Soviet delegate to the Afro-Asian conference in Cairo last fall:

We do not seek to get any advantage. We are ready to help you as brother helps brother, without any interest whatever, for we know from our own experience how difficult it is to get rid of need.

I think the martyrs of Hungary bear silent witness to the tragedy of believing this fraternal offer. The people of Poland, too, know that getting rid of the Communists is more difficult than getting rid of need or hunger.

The challenge of the Soviet economic offensive appears more dangerous than the military challenge. I believe Khrushchev knows no one will win a nuclear war.

Our task is to bring into the struggle not only our resources and abilities but our faith and patience as well. We need the sum total of our energies in this battle. We need to draw on two qualities that America has in full measure—stamina and endurance.

This politico-economic struggle will not be decided this year or next. It is going to be with us for a good many years to come. We must search for better methods; we must marshal the

efforts of the United Nations and the free-world countries. We must raise our sights.

The mutual security program for the coming year will cost each one of us little more than 5 eents a day. The total cost of the program is less than one-fourth of what we spend each year on liquor and tobacco. It is less than one-half of one percent of our gross national product.

I think it is high time that we fully appreciate the importance of our efforts to help the world's less privileged people. I know of nothing that we do as a people that reflects more directly the moral character and destiny of this great nation than the United States mutual security program.

At the same time we cannot afford to be complacent or indifferent to the needs of our allies. Our own security is inextricably bound up with that of other free nations. We must continue to wage this economic war with all the ingenuity that our inventors, our scientists, our doctors, our businessmen, and such voluntary agencies as CARE can command.

To CARE's mission chiefs I would say: You are in the front line of this struggle. Your dynamic spirit, faith, and dedication are helping to develop the feeling of brotherhood among the peoples of the free world that is the hope of humanity.

U.S. Delegations to International Conferences

16th Session of the ECE Timber Committee

The Department of State announced on September 3 (press release 506) the designation of George Corydon Wagner, Sr., vice president and treasurer of the St. Paul and Tacoma Lumber Company of Tacoma, Wash., a division of the St. Regis Paper Company, as the U.S. delegate to the 16th session of the Timber Committee of the Economic Commission for Europe (ECE), scheduled to convene at Geneva October 13–17.

The committee, which is one of the principal committees of ECE, provides a forum where experts in the field of timber may meet periodically to consider and discuss matters of common interest. Discussions in the coming session will primarily concern a market review and prospects for sawn softwood, small-sized roundwood, and sawn

hardwood; a proposal of the Soviet Union for a draft all-European agreement on scientific, technical, and economic collaboration in the timber industry; and several reports of working parties.

Congressional Documents Relating to Foreign Policy

85th Session, 2d Session

Recruitment and Training for the Foreign Service of the United States. Hearing before the Senate Committee on Foreign Relations on S. 3552, a bill to amend the Foreign Service Act of 1946, as amended. May 27, 1958. 81 pp.

A Review of the Relations of the United States and Other American Republics. Hearings before a subcommittee of the House Committee on Foreign Affairs. June 3-

July 31, 1958. 267 pp.

Denial of Passports to Persons Knowingly Engaged in Activities Intended To Further the International Communist Movement. Hearings before the House Committee on Foreign Affairs on H.R. 13760 and other bills relating to the issuance of passports. July 16-August 18, 1958. 150 pp.

United Nations Emergency Force. Hearings before the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs on H. Res. 367 and H. Con. Res. 373, relative to a permanent United Nations force. July 24 and 25, 1958.

102 pp.

Eighth Semiannual Report on Activities Under Public Law 480, 83d Congress, as Amended. Message from the President of the United States transmitting the report outlining operations under the act during the period January 1 through June 30, 1958. H. Doc. 431, August 5, 1958. 67 pp.

Message from the President of the United States returning without approval the bill (H. R. 11581) to remove wheat for seeding purposes which has been treated with poisonous substances from the "unfit for human consumption" category for the purposes of section 22 of the Agricultural Adjustment Act of 1933, and for other purposes. H. Doc. 441, August 20, 1958. 2 pp.

California International Trade Fair and Industrial Exposition. Report to accompany H. J. Res. 658. S. Rept.

2484, August 20, 1958. 1 p.

Denial of Passports. Report to accompany H. R. 13760.

H. Rept. 2684, August 21, 1958. 11 pp.

Extension and Amendment of Public Law 480. Conference report to accompany S. 3420. H. Rept. 2694, August 22, 1958. 10 pp.

Current Treaty Actions

MULTILATERAL

Aviation

Convention on the international recognition of rights in aircraft. Opened for signature at Geneva June 19, 1948. Entered into force September 17, 1953. TIAS 2847. Adherence deposited: El Salvador, August 14, 1958.

Germany

Agreement on German external debts. Signed at London

February 27, 1953. Entered into force September 16, 1953, TIAS 2792.

Accessions deposited: Netherlands (for territory in Europe only), August 1, 1958; Austria, August 20, 1958.

Narcotic Drugs

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.1

Accession deposited: Belgium, including the Belgian Congo and the Trust Territory of Ruanda-Urundi,

June 30, 1958,

BILATERAL

Cuba

Research and power reactor agreement concerning civil uses of atomic energy, and superseding research reactor agreement of June 26, 1956 (TIAS 3911). Signed at Washington September 9, 1958. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

Denmark

Agreement amending research reactor agreement concerning civil uses of atomic energy of July 25, 1955, as amended (TIAS 3309 and 3758). Signed at Washington June 26, 1958.

Entered into force: September 8, 1958 (date on which each Government received from the other written notification that it had complied with statutory and

constitutional requirements).

Agreement relating to the establishment of an armed forces radio network in Metropolitan France. Effected by exchange of notes at Paris August 30 and September 6, 1956, with related note of September 6, 1957. Entered into force September 6, 1956.

Agreement modifying the agreement relating to the establishment of an armed forces radio network in Metropolitan France. Effected by exchange of notes at Paris July 7 and 18, 1958. Entered into force July 18, 1958.

DEPARTMENT AND FOREIGN SERVICE

Foreign Service Selection Boards Meet

Press release 508 dated September 3

The Department of State announced on September 3 the convening of the Twelfth Selection Boards, which will review the records of all career Foreign Service officers for purposes of promotion and selection out. The Selection Boards are established by the Secretary of State under the terms of the Foreign Service Act of 1946, as amended.

Selection Boards, which normally meet once

¹ Not in force.

each year, are composed of senior career Foreign Service officers and distinguished private citizens. The Boards are given the task of evaluating the performance of Foreign Service officers as the basis for the President's promotion of the top officers in each class.

The task confronting the Selection Boards this year has grown in scope, owing largely to the increase in the size of the Foreign Service Officer Corps by virtue of the recent integration program. As a result of this program the Foreign Service Officer Corps has expanded from 1,300 in 1954 to approximately 3,400 this year.

The Selection Boards will meet for approximately 4 months. The Boards include 28 active Foreign Service officers; 6 public members drawn from private life; and 2 observers on each board, 1 designated by the Department of Commerce and 1 by the Department of Labor. Participation by these observers represents the direct interest of their Departments in the work of the Foreign Service of the United States.

The Foreign Service officer members include five career ministers:

James C. H. Bonbright, Ambassador to Portugal Herbert S. Bursley, Chief, Career Development and Counseling Staff, Department of State Homer M. Byington, Jr., Ambassador to Malaya Vinton Chapin, Ambassador to Luxembourg Julian F. Harrington, Ambassador to Panama

The public members are:

Ross N. Berkes, Los Angeles, Calif. Walter J. Bierwagen, Cheverly, Md. Clement D. Johnston, Roanoke, Va. Charles C. O'Day, Washington, D. C. Kenneth Peterson, Washington, D. C. Eugene S. Williams, Baltimore, Md.

Foreign Service Examination Postponed to December 1959

Press release 523 dated September 9

The Department of State announced on September 9 that a written examination for Foreign Service officers of class 8 will not be held in December of this year and that the next such examination will be scheduled for December 1959. The Department reported that the decision not to hold an examination during the current year is based on the fact that a sufficient number of candidates are now available to fill such vacancies as are likely to occur during the next 18 months.

Application blanks for the December 1959 written examination will be available from the Board of Examiners for the Foreign Service, Department of State, Washington 25, D.C., after April 1, 1959.

Designations

Woodbury Willoughby as Director, Office of British Commonwealth and Northern European Affairs, effective August 25.

Charles W. Adair as Director, Office of International Financial and Development Affairs, Bureau of Economic Affairs, effective September 2.

William J. Sheppard as Special Assistant to the Assistant Secretary for Administration, effective September 7.

Tremper Longman as International Cooperation Administration Liaison Officer attached to the Consulate General at Salisbury, Federation of Rhodesia and Nyasaland, effective June 6. (For biographic details, see press release 531 dated September 12.)

Elevation of Consulate at Zagreb, Yugoslavia

Department mailing notice dated September 10

On August 1, 1958, the American consulate at Zagreb, Yugoslavia, was elevated to the rank of Consulate General. Edward P. Montgomery has been assigned to the post as Consul General.

Consular districts in Yugoslavia are not affected by the change in status.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Doeuments, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Doeuments, except in the ease of free publications, which may be obtained from the Department of State.

The Role of the United States in World Affairs. Pub. 6669. General Foreign Policy Series 128. 27 pp. 25¢. Another issue in the popular *Background* series, this pamphlet points out the role the United States is playing in world affairs today.

Disarmament—The Intensified Effort, 1955X58, Pub. 6676. General Foreign Policy Series 131. 65 pp. 30¢.

This publication records U.S. efforts to negotiate a sound and safeguarded agreement on the regulation, control, and reduction of armaments and armed forces.

Sample Questions From the Foreign Service Officer Examination. Pub. 6681. Department and Foreign Service Series 80. 36 pp. Limited distribution.

This pamphlet presents samples of the kinds of questions

which will be asked in a Foreign Service officer written examination.

Statistical Review of East-West Trade, 1956-57. Pub. 6684. General Foreign Policy Series 132. 34 pp. Limited distribution.

Eleventh semiannual report to Congress on operations under the Mutual Defense Assistance Control Act of 1951 for the period July 1-December 31, 1957.

The International Atomic Energy Agency—The First Year. Pub. 6696. International Organization and Conference Series I, 37. 33 p. 20¢.

A pamphlet outlining the origin, organization, and general operation of the International Atomic Energy Agency in its first year of existence.

Program for the Near East. Pub. 6697. International Organization and Conference Series III, 130. 20 pp. Limited distribution.

An address given by President Eisenhower to the U.N. General Assembly on August 13, 1958, explaining U.S. action in the Near East and proposing solutions to Middle Eastern problems.

Surplus Agricultural Commodities. TIAS 4042. 6 pp. 5c.

Agreement between the United States of America and Ceylon—Signed at Washington June 18, 1958. Entered iuto force June 18, 1958.

Foreign Service Personnel—Free Entry Privileges. TIAS 4043. 3 pp. 5¢.

Agreement between the United States of America and El Salvador. Exchange of notes—Signed at Washington March 18 and May 9, 1958. Entered into force May 9, 1958.

Surplus Agricultural Commodities. TIAS 4045. 13 pp. 106

Agreement between the United States of America and Peru. Exchange of notes—Signed at Lima April 9, 1958. Eutered into force April 9, 1958.

Surplus Agricultural Commodities. TIAS 4046. 2 pp. 5¢.

Agreement between the United States of America and Poland, amending agreement of February 15, 1958. Exchange of notes—Signed at Washington June 6, 1958. Entered into force June 6, 1958.

Mutual Recognition of Ship Measurement Certificates. TIAS 4047. 2 pp. 5¢.

Agreement between the United States of America and Yugoslavia. Exchange of notes—Signed at Washington June 12 and 16, 1958. Entered into force June 16, 1958.

Air Transport Services. TIAS 4050. 3 pp. 5¢.

Agreement between the United States of America and Peru, amending agreement of December 27, 1946. Exchange of notes—Signed at Washington April 24 and May 28, 1958. Entered into force May 28, 1958.

Defense—Aerial Refueling Facilities. TIAS 4051. 7 pp. 10g.

Agreement between the United States of America and Canada. Exchange of notes—Dated at Ottawa June 20, 1958. Entered into force June 20, 1958.

Financial Assistance—Facilities for Inter-American Conference. TIAS 4052. 3 pp. 5¢.

Agreement between the United States of America and Ecuador. Exchange of notes—Signed at Washington June 27, 1958. Entered into force June 27, 1958.

Economic, Technical and Related Assistance. TIAS 4054. 4 pp. 5¢.

Agreement between the United States of America and Morocco, supplementing agreement of April 2, 1957. Exchange of notes—Signed at Rabat May 19, 1958. Entered into force May 19, 1958.

Correction

No.

*519 9/8

Date

BULLETIN of September 22, 1958, p. 462: The third name in the list of Western experts at the Conference of Experts To Study the Possibility of Detecting Violations of a Possible Agreement on the Suspension of Nuclear Tests should be spelled "Sir John Cockcroft."

Check List of Department of State Press Releases: September 8-14

Press releases may be obtained from the News Division, Department of State, Washington 25, D.C.

Releases issued prior to September 8 which appear in this issue of the Bulletin are Nos. 506 and 508 of September 3, 510 and 511 of September 4, and 517 and 518 of September 6.

Subject

Maryland company gets investment

| | | guaranty in Italy. |
|--------------|------|---|
| 520 | 9/8 | U.S. note to U.S.S.R. on prevention of |
| | | surprise attack. |
| †521 | 9/9 | Visit of Turkish Finance Minister. |
| 522 | 9/9 | Power reactor agreement signed with |
| | | Cuba. |
| 523 | 9/9 | Foreign Service examination canceled for 1958. |
| 524 | 9/9 | Dulles: news conference. |
| *525 | 9/9 | Educational exchange (Lebanon). |
| 526 | 9/9 | Visit of Indian Finance Minister. |
| 527 | 9/11 | U.S. note to U.S.S.R. on suspension of |
| | | nuclear weapons tests. |
| 528 | 9/11 | U.SJapanese talks. |
| 529 | 9/12 | American composers to visit U.S.S.R. |
| * 530 | 9/12 | Swearing in of delegation to 10th General Conference of UNESCO. |
| 531 | 9/12 | Longman designated 1CA liaison officer at Salisbury (biographic details). |
| 532 | 9/12 | Chinese refugees arrive in U.S. under |
| -00 | 0/12 | special immigration law. |
| 533 | 9/12 | Talks with Japanese Foreign Minister concluded. |
| 534 | 9/12 | U.S. transport plane crashed in Soviet |
| | | territory. |
| 535 | 9/13 | Economic discussions with Turkey. |
| 536 | 9/13 | Wileox: "The United Nations: The |
| | | Road Ahead." |

^{*}Not printed.

[†]Held for a later issue of the BULLETIN.

Index

| 485 | Military Affairs. United States Asks U.S.S.R. and Iran for Information on Missing Plane (text of U.S. note) | 505 |
|------------|--|---|
| 481 | Mutual Security. The Challenge of the Times (Reinhardt) | 514 |
| 494 485 | Communist Threat to Peace in Taiwan Area President Corrects Soviet Misstatements on Tai- | 481 |
| 493 | wan Situation | 498 493 |
| 505 | Publications. Recent Releases | 519 |
| 503 | Refugees. Chinese Refugees Gain Asylum in United States | 497 |
| 497 | Science. U.S. Replies to Soviet Note on Balloons (texts of U.S. and Soviet notes) | 504 |
| 481 | Treaty Information Current Actions | 518 |
| 494 | Agreement | 505 |
| 485 | President Corrects Soviet Misstatements on Tai- | 498 |
| 518 | U.S. and U.S.S.R. Agree on Date for Talks on Test Suspension (texts of U.S. and Soviet notes) | 503 |
| 505 | United States Asks U.S.S.R. and Iran for Informa- tion on Missing Plane (text of U.S. note) U.S. Raplies to Saviet Note on Balloons (text of | 505 |
| 519 | U.S. and Soviet notes) | 504 |
| 519 | U.S. Urges Soviets To Respond to Note of July 31 (text of U.S. note) | 504 |
| 504 | International Politics and the Preservation of Peace (Herter) | 494 |
| 493 | | 506 |
| 517 | Yugoslavia. Elevation of Consulate at Zagreb, Yugoslavia | 519 |
| | | |
| 485 | Bullis, Harry A | 519 493 485 |
| | Eisenhower, President | |
| 517 | Khrushehev, Nikita | 498 519 |
| 505 | Montgomery, Edward P | 519 514 |
| | Sheppard, William J | 519 517 |
| 494 506 | Wilcox, Francis O. Willoughby, Woodbury | 506 519 |
| | 481 494 485 493 505 503 497 481 494 498 485 518 505 519 519 519 519 519 517 485 504 493 517 485 | Mutual Security. The Challenge of the Times (Reinhardt) 494 Presidential Documents Communist Threat to Peace in Taiwan Area. President Corrects Soviet Misstatements on Taiwan Situation 495 President Corrects Soviet Misstatements on Taiwan Situation. 496 President Corrects Soviet Misstatements on Taiwan Situation. 497 President Corrects Soviet Misstatements on Taiwan Situation. 498 President Corrects Soviet Note on Balloons (texts of U.S. and Soviet notes). 499 Cience. U.S. Replies to Soviet Note on Balloons (texts of U.S. and Soviet notes). 481 Treaty Information Current Actions. 494 United States and Cuba Sign Atomic Energy Agreement. 498 U.S.S.R. 485 President Corrects Soviet Misstatements on Taiwan Situation (Eisenhower, Khrushehev). 505 United States Asks U.S.R. and Iran for Information on Missing Plane (text of U.S. note). 506 U.S. Replies to Soviet Note on Balloons (text of U.S. and Soviet notes). 507 U.S. Replies to Soviet Note on Balloons (text of U.S. and Soviet notes). 508 U.S. Urges Soviets To Respond to Note of July 31 (text of U.S. note) 509 U.S. Urges Soviets To Respond to Note of July 31 (text of U.S. note) 500 United Nations 501 International Politics and the Preservation of Peace (Herter) 502 The United Nations: The Road Ahead (Wilcox). 503 Yugoslavia. Elevation of Consulate at Zagreb, Yugoslavia. 504 President Nations: The Road Ahead (Wilcox). 505 Wilcox, Prancis O. 506 Refugees. 507 Atomic Index 508 Adair, Charles W. 509 Bullis, Harry A. 509 Bullis, Harry A. 500 Bullis, Harry A. 500 Bullis, Harry A. 501 Khrushehev, Nikita Longman, Tremper 502 Montgomery, Edward P. 603 Reinhardt, G. Frederick 504 Sheppard, William J. 605 Willox, Francis O. |

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